

March 2017 Quarterly Activities Report

Exterra Resources Limited
ACN 138 222 705

ASX Code: EXC

www.exterraresources.com.au

Issued Capital:

Ordinary Shares: 336.2m
Options: 87.1m
Cash (31 Mar 2017) \$2.48 million

Directors and Management:

John Davis
Executive Chairman

Geoff Laing
Executive Director

Justin Brown
Non-Executive Director

Dennis Wilkins
Company Secretary

31 March 2017

Exterra Resources Limited ("Exterra" or "the Company") is pleased to provide a summary of activities undertaken by the Company during the March 2017 quarter which has focussed on the Linden Project Second Fortune Mine Development and Linden Exploration.

HIGHLIGHTS:

- Department of Environmental Regulation (DER) amended Works Approval for processing and dewatering at the Second Fortune Mine.
- Delivery to site and assembly of the ore sorting unit and associated infrastructure, including conveyors, generator, compressor, mobile screening plant and site offices.
- Cell II of the evaporation pond nearing completion and a significant drop in the pit water level on the back of water extracted for the pond construction. Clearing of the Second Fortune Haul road.
- Ongoing discussions with mining contractors for the development and operation of the underground works.
- Second Fortune metallurgical tests demonstrate high gold recoveries, averaging ~95%, including high gravity recoveries averaging 69%. Tests demonstrated that low cyanide consumptions, ~0.28kg per tonne, can be expected and the ore contains very low levels of deleterious elements.
- The Mullock Dump samples demonstrated high gold recoveries, averaging ~96%, and gravity recoveries were also high averaging 71%.
- The combination of excellent metallurgical and ore sorting results continue to enhance the Second Fortune project potential. It is expected the planned commissioning and pre mining phase, treating mullock, will generate saleable sorted gold concentrates.
- 14 hole RC drilling programme for 888m completed at Linden Star and Second Fortune Extension in December 2016

- **New intercepts at Linden Star include:**
 - EXRC098 – 4m @ 7.1g/t from 13m including 2m @ 13.5g/t
 - EXRC095 – 2m @ 8.0g/t from 64m
 - EXRC096 – 2m @ 2.3g/t from 32m
 - EXRC097 – 4m @ 1.8g/t from 52m
- **13 hole stope definition RC drilling programme for 985m completed at Second Fortune in October 2016**
- **New intercepts at Second Fortune include:**
 - EXRC088 – 1.5m @ 8.7g/t from 39m
 - EXRC090 – 1m @ 16.8g/t from 70m
 - EXRC084 – 0.5m @ 12.4g/t from 39m

1.0 LINDEN GOLD PROJECT, Western Australia (100% interest)

1.1 Amended Works Approval for Processing and Dewatering

The Department of Environmental Regulation has approved the Amended Works Approval for processing and dewatering at the Second Fortune Mine. Licences to operate will be applied for as soon as the respective facilities have been completed.

1.2 Second Fortune Ore Sorting

The sorting plant and associated infrastructure has been relocated to site for final assembly. This includes the Tomra colour/NIR sorting machine, sorting platform, wash screen, water reticulation system and transfer conveyors. The compressor, drier, air receiver and generator, which are housed separately, have also been installed. Ongoing site works include the reticulation of power cabling and the installation of the motor control centre.

It is anticipated that the plant will be ready for commissioning in late March. Tomra will be providing a technical team to facilitate the commissioning of the sorting unit. Commissioning will take place on mullock material already available at the Second Fortune mine site. Mullock dumps to the north of Second Fortune will then be processed through a ramp up phase while product sampling protocols are fine tuned.



Figure 1: Ore Sorting Module under constrction (including compressor station – insert)

1.3 Surface Works Development

Water requirements for the ongoing construction of the evaporation ponds has significantly reduced the water levels in the Second Fortune pit. Per previous announcements, cell I is complete and cell II is at an advanced stage. On completion of cell II and approval of the requisite licence to dewater, final dewatering of the pit and remnant underground workings can take place.

Site offices for the owner's team and mining contractor have been delivered to site. Recently acquired reverse osmosis plants have been refurbished and will be delivered to site within the next two weeks. The site is now equipped for the ramp up phase of the project.



Figure 2: Second Fortune Evaporation Ponds and Pit



Figure 3: Second Fortune Office Block

1.4 Ore Sales Agreement

Toll treatment terms have been agreed and ongoing discussions with potential ore purchase partners are ongoing. Processing of the Mullock material is expected to generate cash flows through this development phase of the project.

1.5 Second Fortune Metallurgical Recoveries (refer ASX release 27 February 2017)

A metallurgical leach programme was carried out on both Second Fortune samples and Mullock Dump samples to confirm previous leaching results. The programme was designed to provide variability data with respect to the Second Fortune deposit, including tests on sorted concentrates. In addition, the programme included tests on concentrates derived from bulk sorting tests on the Mullock dumps.

The programme focussed on demonstrating gravity and total leach recoveries at a grind size typical of local operations. It also demonstrated that both Second Fortune and dump material have low levels of impurities and refractory compounds including sulphides and organic carbon. All samples tested showed that low cyanide consumptions can be expected.

Completion of the testwork is not only a key deliverable for the completion of the ore purchase/tolling contract but an important milestone in confirming the potential of the Second Fortune project. The combination of good metallurgical and sorting recoveries ensures that the maximum benefit can be derived from an ore sale/toll arrangement.

	Head g/t	Gravity Recovery %	Total Recovery %	Residue g/t	CN kg/t	Lime addition
Second Fortune North drill core	13.22	81.19	98.49	0.20	0.30	6.49
Second Fortune South drill core	13.59	65.44	93.97	0.82	0.31	6.19
Second Fortune Sorter Concentrate	10.13	70.14	94.23	0.59	0.24	2.23
Second Fortune Sorter Reject	0.99	61.16	94.97	0.05	0.28	6.97
Second Fortune Average	9.48	69.49	95.41	0.41	0.28	5.47
Mullock Dumps 1 Sorted Concentrate	13.83	71.37	95.88	0.57	0.35	5.97
Mullock Dumps 2 Sorted Mid	5.49	70.40	96.63	0.19	0.35	7.91

Table 1: Leach Testwork Results for Second Fortune and Mullock Dumps

The immediate focus will be the commissioning of the sorting and sampling facility at the Second Fortune site. This will be undertaken using material sourced from Mullock Dumps at Second Fortune and numerous Mullock Dumps to the north of Second Fortune. High grading of the Mullock Dumps is expected to generate positive cash-flow for the company through this initial development phase.

1.6 Linden Exploration

During December 2016 a Reverse Circulation (RC) drilling programme was completed at Linden Star and Second Fortune Extended following up on previously reported drill results including **1m @ 97.4 g/t Au, 5m @ 4.02 g/t Au and 2m @ 4.10 g/t Au at Linden Star and 2m @ 5.74 g/t Au and 2m @ 3.68 g/t Au at Second Fortune Extended.**

14 Holes for 888m were completed at Linden Star, located 500m to the SW of Second Fortune, and 2 holes for 161m at Second Fortune Extended, located 350m to the south of Second Fortune (Figures 4 and 5).

Historic costeaning, shallow drilling and sampling of old workings and mullock dumps at Linden Star had demonstrated that gold bearing quartz structures are present along a strike length of over approximately 500m (Figure 5). The vein system is adjacent to one of the major bounding structures of the Laverton Tectonic Zone in an area of magnetite destruction interpreted to represent hydrothermal alteration.

The programme at Linden Star and Second Fortune Extended has confirmed the potential to outline near surface high grade gold resources to add further ounces to the Second Fortune mine development, which is progressing on track for first gold production in early 2017.

Linden Star Drilling Results (refer ASX release 6 February 2017)

The three holes drilled into the northern part of Linden Star (Figure 5) targeted a potential down dip extensions of a vein identified in 6 holes drilled by Exterra in 2010 and 2011. These earlier Exterra holes intersected the vein with results including:

- LNRC075 – 12m @ 0.5g/t from 21m including 1m @ 1.5g/t from 29m
- LNRC076 – 5m @ 1.8g/t from 13m including 2m @ 4.1g/t from 14m - plus **1m @ 97.4g/t from 23m**
- LNRC106 – 8m @ 2.7g/t from 14m including 5m @ 4.0g/t from 15m
- LNRC108 – 7m @ 0.6g/t from 8m including 1m @ 2.7g/t from 13m - plus 6m @ 0.3g/t from 19m

The new holes have confirmed the presence of a north-north-west striking, steeply dipping gold-mineralised vein within a broader anomalous halo. New results include:

- EXRC095 – 10m @ 2.0g/t from 57m including **2m @ 8.0g/t from 64m**
- EXRC096 – 6m @ 1.1g/t from 32m including **2m @ 2.3g/t from 32m**
- EXRC097 – 12m @ 0.7g/t from 45m including **4m @ 1.8g/t from 52m**

The cross section shown in Figure 3 illustrates a simple interpretation for the steeply dipping vein intersections in holes LNRC108 and EXRC095 at Linden Star north.

At Linden Star south, new drilling targeted an area of historic workings and dumps, costeaning and shallow drilling. Results reported for the historic drilling in WAMEX reports from 1984 and 1987 include:

- LRC17 – 9m @ 7.6g/t from 25m
- LB104 – 3m @ 6.4g/t from 5m
- LRC15 – 1m @ 4.4g/t from 17m
- LRC21 – 1m @ 3.9g/t from 29m

Some of the new results confirm the presence high grade gold-mineralised veins, including:

- EXRC098 – 4m @ 7.1g/t from 13m including **2m @ 13.5g/t from 14m**
- EXRC102 – 2m @ 1.2g/t from 31m

Geological logging and assays indicate more structural complexity in this area and further work is required to follow up these significant intersections.

Planning for further near-mine exploration

Exterra is currently focussed on compilation of a comprehensive and detailed geological, structural, geophysical and mineralization maps of the Second Fortune and Linden area to assist in refinement of existing drill targets and generation of new targets for planned 2017 exploration programmes.

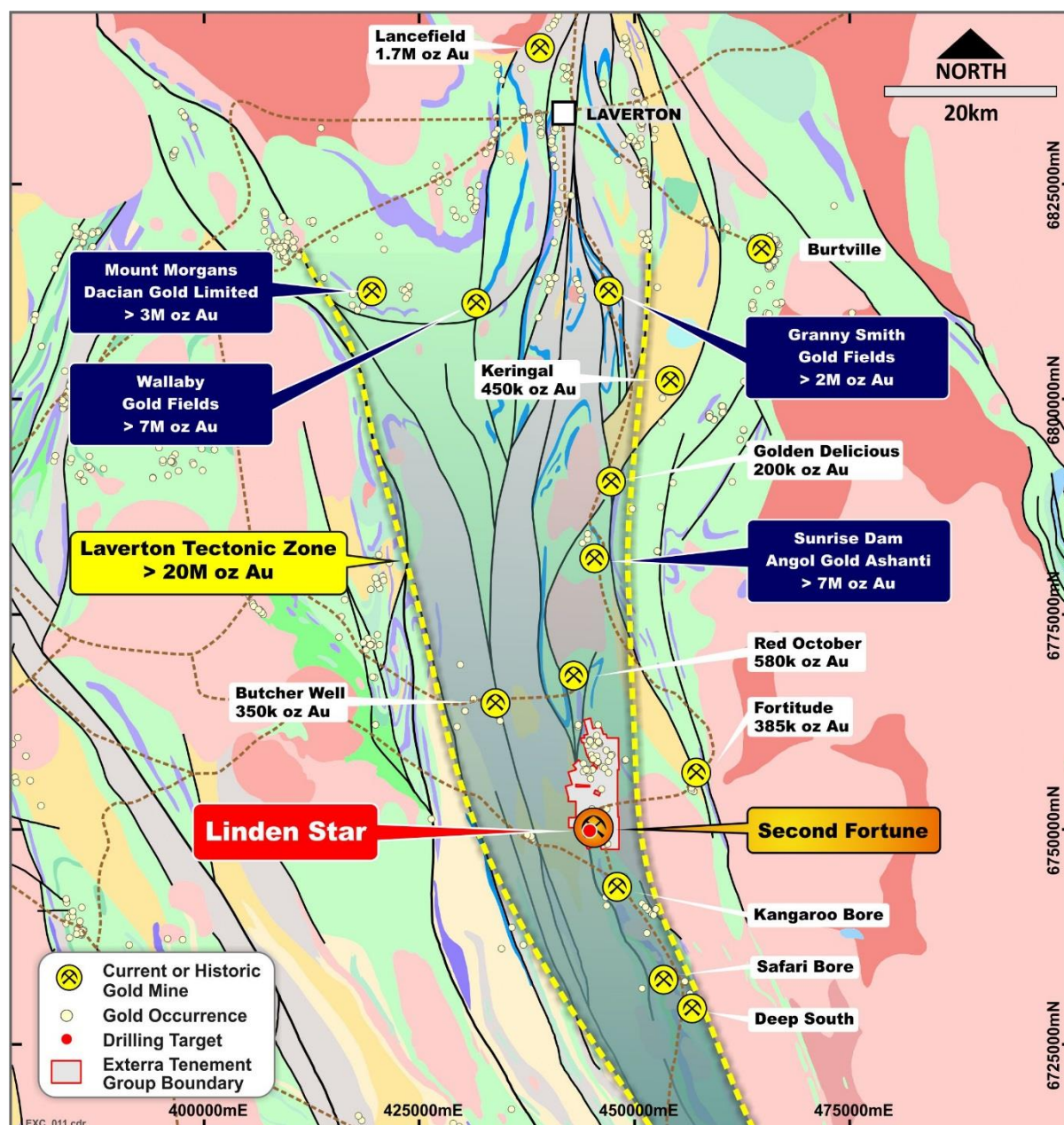


Figure 4: Location of Second Fortune and drilling target within Laverton Tectonic Zone

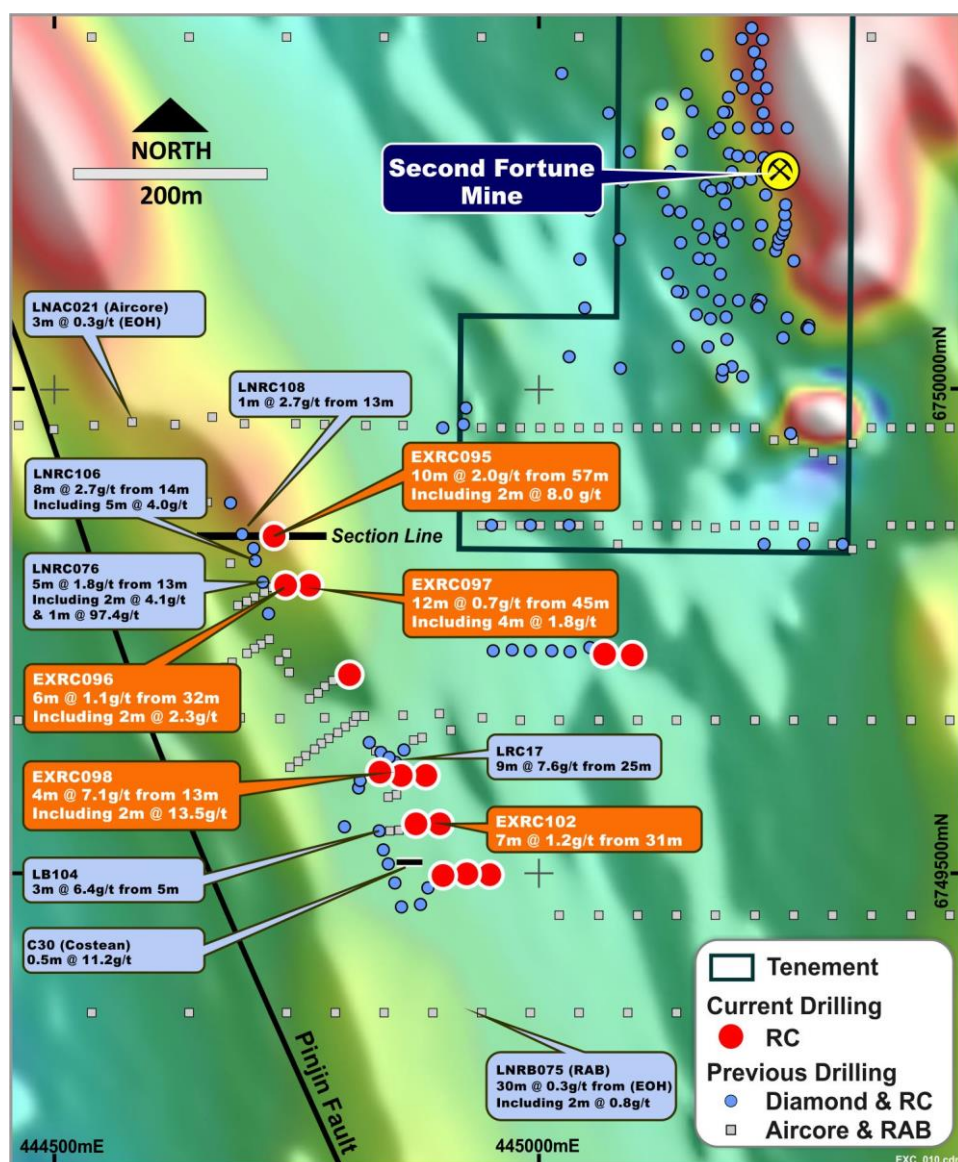


Figure 5: Location of new drill holes to the south-west of Second Fortune over magnetics

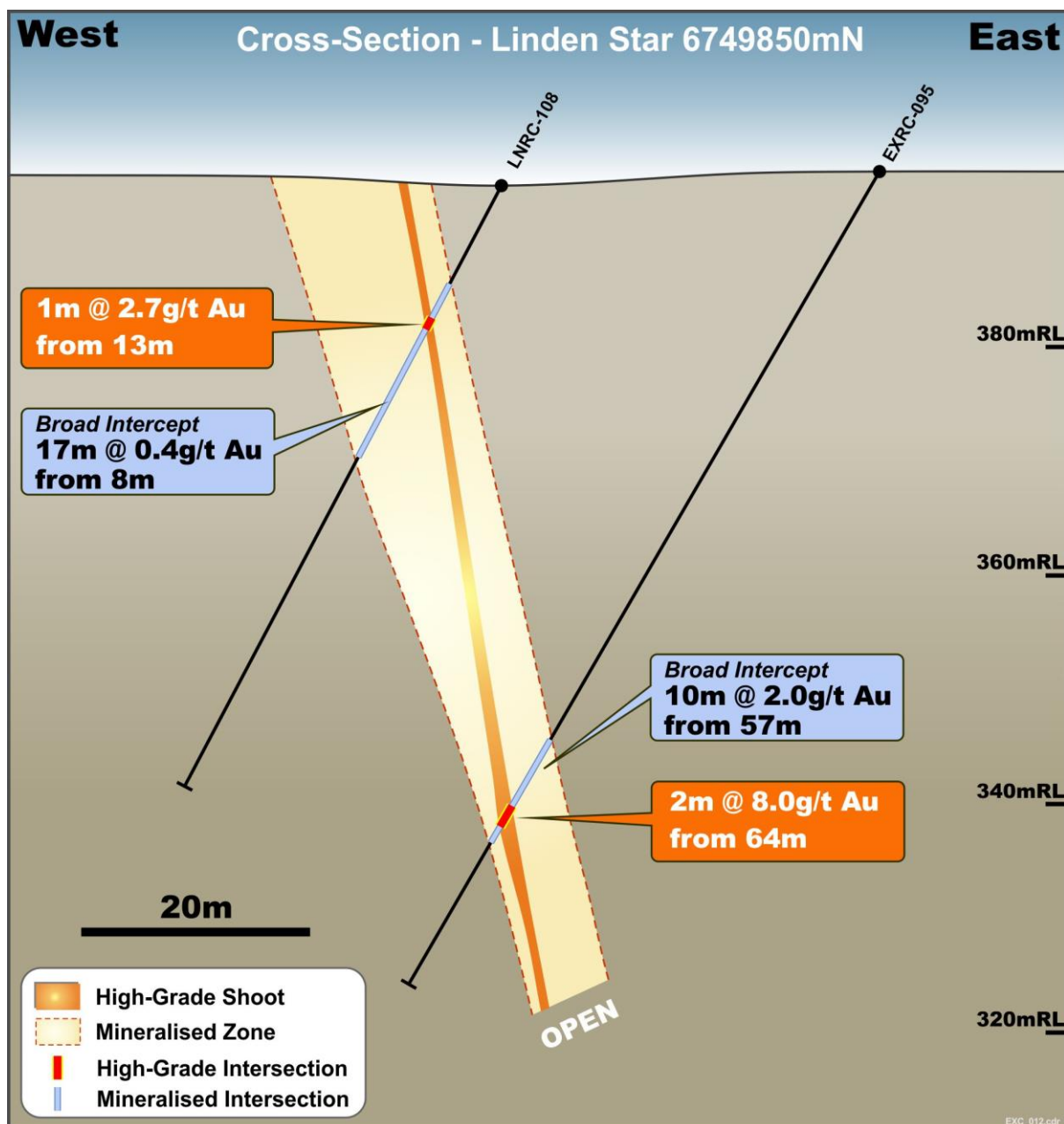


Figure 6: Cross section illustrating historic and new drilling results at Linden Star north

Second Fortune Stope Definition drilling results (refer ASX release 6 February 2017)

Thirteen Reverse Circulation (RC) drill holes were completed at Second Fortune late in 2016 specifically designed to test and refine the northern (6 holes) and southern (7 holes) upper main vein position and stoping limits in preparation for mining.

Significant results included:

- EXRC082 – 1.0m @ 7.0g/t from 33m
- EXRC084 – 0.5m @ 12.4g/t from 39m
- EXRC088 – 1.5m @ 8.7g/t from 39m
- EXRC090 – 1.0m @ 16.8g/t from 70m
- EXRC092 – 0.5m @ 9.6g/t from 49m

Table 1: Summary of Second Fortune Drilling Results –stope definition drilling intercepts using 0.5g/t cut-off

Location	HoleID	Hole	Easting	Northing	RL	EOH	Dip	Azimuth	From	To	Interval	Au_g/t
Second Fortune	EXRC82	RC	445224	6750380	399	53.0	-55	98	33	34.5	1.5	5.7
	EXRC83	RC	445215	6750367	399	70.0	-60	98	52.5	53	0.5	1.4
	EXRC84	RC	445226	6750355	399	50.0	-55	100	39	39.5	0.5	12.4
	EXRC85	RC	445217	6750342	399	70.0	-60	90	61	61.5	0.5	1.3
	EXRC86	RC	445224	6750330	399	50.0	-50	95	34.5	35.5	1	0.5
	EXRC87	RC	445230	6750305	399	50.0	-55	90	39.5	40.5	1	0.5
	EXRC88	RC	445189	6750071	405	75.0	-50	90	39	42	3	5.1
								including	39	40.5	1.5	8.7
									46	49	3	3.1
								including	47	48	1	5.9
	EXRC89	RC	445190	6750048	404	80.0	-50	90	46	48	2	1.0
	EXRC90	RC	445195	6750020	399	89.0	-55	85	70	71	1	16.8
	EXRC91	RC	445170	6750040	399	92.0	-50	90	79	80	1	2.4
									84	85	1	1.2
	EXRC92	RC	445252	6750070	399	83.0	-55	265	30	30.5	0.5	1.6
31.5									32	0.5	1.6	
35									36	1	2.0	
48.5									50	1.5	4.4	
including									49	49.5	0.5	9.6
EXRC93	RC	445247	6750050	399	77.0	-52	258	36.5	37	0.5	1.7	
EXRC94	RC	445140	6750040	399	149.0	-50	88	131	132	1	1.1	

2.0 GRASS FLAT GOLD PROJECT, Western Australia (100% Exterra)

Results from a review of historic exploration at the recently granted Grass Flat Project which is located 200km north of Southern Cross or 250km northwest of the major gold mining centre of Kalgoorlie (Figure 7) was completed.

This highlighted the potential for near surface **high grade Gold, Volcanogenic Massive Sulphide (VMS) Cu-Pb-Zn-Ag-Au and Hematite Iron Ore potential** within the project area. (refer ASX release 9 March 2017)

Access to the project area is excellent as ore from the recently mined and centrally located, Halley's East gold deposit was hauled via Menzies to processing facilities in Coolgardie and Kanowna.

Potential for near surface high-grade gold deposits.

Exterra recently lodged an application for the Halley's East tenement which includes the historic Halley's East high-grade gold deposit and currently retains the surrounding tenements (see figure 7). The Halley's East gold deposit produced approximately 19000 ounces of gold between 2013 and 2015 from a series of milling campaigns at Coolgardie and Kanowna. Previous exploration work surrounding the Halley's East gold deposit on tenements held by Exterra has identified at least 6 separate prospects where either bedrock or regolith-hosted gold mineralisation has been intercepted by drilling. Some of the better intercepts from this drilling are quoted below:

- 14m at 12.2g/t Au from 56m.
- 14m at 3.69g/t Au from 25m.
- 8m at 5.87g/t Au from 4m.
- 8m at 3.54g/t Au from 12m.
- 8m at 3.44g/t Au from 19m.
- 18m at 1.63g/t Au from 26m.
- 10m at 2.61g/t Au from 65m.
- 12m at 1.59g/t Au from 34m.
- 12m at 1.55g/t Au from 12m.
- 8m at 1.33g/t Au from 17m.
- 9m at 1.26g/t Au from 57m.
- 20m at 0.90g/t Au from 16m.

All of the above intercepts occur outside of the immediate Halley's East mine area and Exterra is currently compiling all mine data to assess the potential for extending any un-mined mineralisation. Previous workers have identified a strong northeast trending structural control linking many of the anomalous prospects and a small high-grade resource has historically been estimated at the Phil prospect. Exterra is currently compiling a comprehensive database of all historic drilling before evaluating each of these prospects for further drilling.

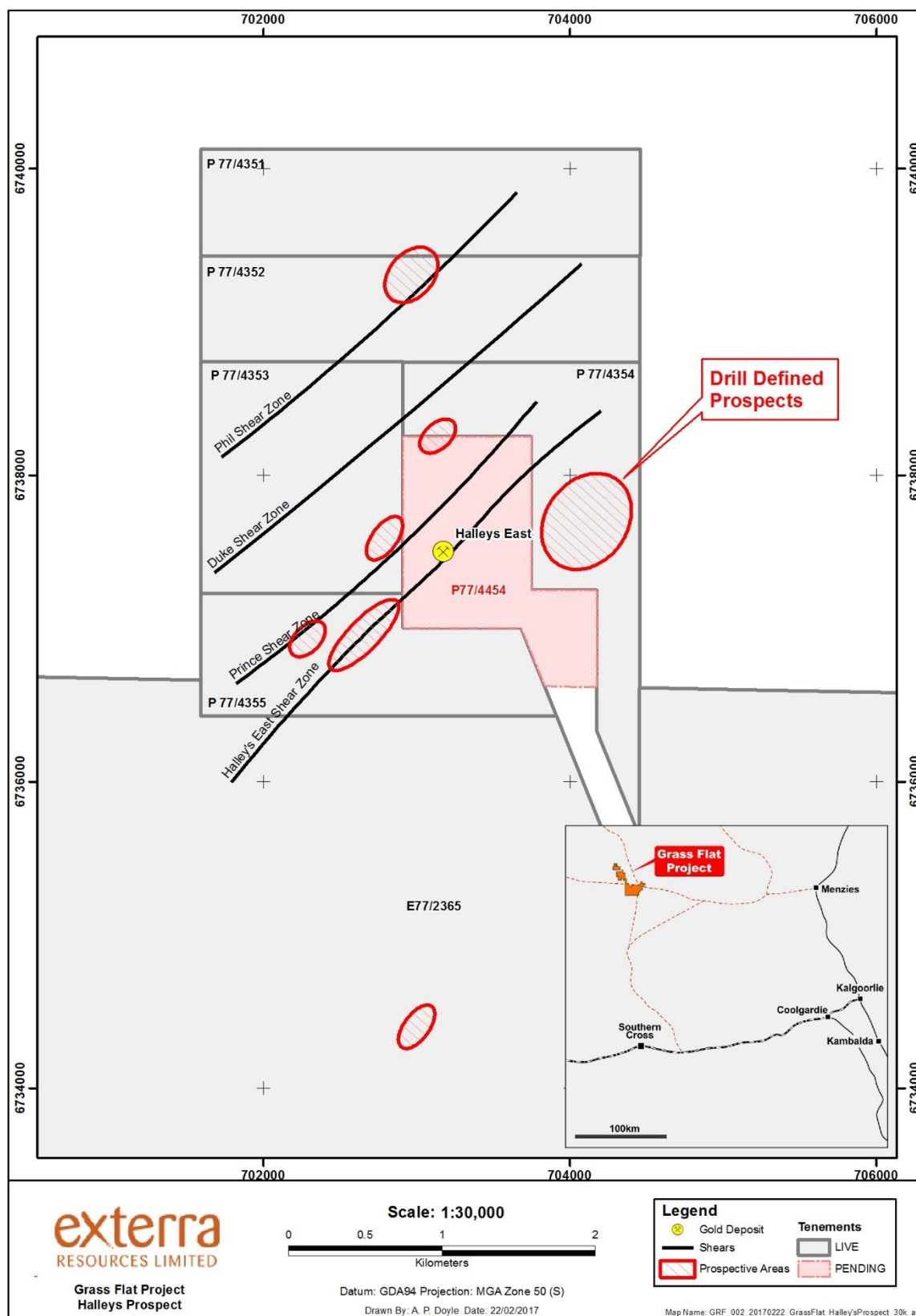


Figure 7: Gold prospects at Grass Flat.

Potential for large, low-grade open pitable gold deposits.

Previous explorers successfully discovered banded iron formation (BIF) hosted gold mineralisation located 3km south of the Halley's East gold deposit. A single line of shallow percussion drilling undertaken over the BIF outcrop achieved the following intercepts from consecutive holes:

- 24m at 1.07 g/t Au from surface to end of hole (EOH).
- 21m at 0.89 g/t Au from surface to EOH.
- 24m at 0.43 g/t Au from surface to EOH.
- 24m at 0.34 g/t Au from surface to EOH.
- 8m at 1.47 g/t Au from surface to 8m.

The width of mineralised BIF at this location is approximately 60 metres which suggests the potential for a bulk tonnage low-grade resource. No metallurgical test work has been undertaken here, however Exterra is considering the potential for a large heap leach-type operation if further work warrants it.

Importantly, the host BIF unit immediately north of the above prospect, plunges beneath a thin veneer of recent alluvial cover and previous exploration efforts have been ineffective. Aeromagnetic data shows that this covered BIF is highly prospective with numerous cross-cutting structures, zones of magnetite destruction, stratigraphic kinks and dislocations, all of which are excellent targets for future drilling campaigns.

Iron Ore Potential

Exterra's licences contain 38km strike of the Johnston Range BIF horizon where previous explorers have identified at least 8 prospects with the potential to host hematite enriched BIF units. Some of these prospects have been drill tested with the better intercepts quoted below:

- 10m at 59.2% Fe from 16m.
- 24m at 57.4% Fe from 8m.
- 34m at 59.4% Fe from 0m.
- 32m at 60.4% Fe from 6m.
- 16m at 58.3% Fe from 2m.
- 38m at 59.2% Fe from 6m.



Figure 8: Strongly hematite-enriched BIF from the Muldoon prospect.

Preliminary scoping study work undertaken by previous owners of the Johnson Range iron ore project has included resource estimations at the Muldoon prospect, metallurgical test work, flora and fauna surveys, transport surveys and Aboriginal Heritage surveys. This project is located only 37km north of the Windarling Range (Koolyanobbing Project) iron ore deposits currently being operated by Cliffs Natural Resources Inc. Exterra has commenced compiling all relevant data on the project to assess the importance of this project given the rising iron ore price environment.

Volcanogenic Massive Sulphide (VMS) base metal targets

Previous base metal exploration within the District has identified considerable potential for VMS-style Cu-Pb-Zn-Ag-Au mineralisation. A prospective shale-basalt contact located 15km south of Halley's has been explored using a variety of geophysical and geochemical techniques with the better prospects being drill tested. The following drill results occur outside of Exterra licences, but occur along strike and allude to the base metal potential of the area:

- 5.0m at 2.0% Cu, 7.1% Zn, 0.4% Pb, 25.4g/t Ag and 1.9g/t Au from 165m.
- 2.0m at 2.0% Cu, 4.3% Zn, 0.2% Pb, 32.6g/t Ag and 2.0g/t Au from 103m.

This north-northwest striking geological contact represents a fertile VMS-type event horizon that extends north onto Exterra licences where a total strike of 12km has been identified using aeromagnetic data. This 12km long geological horizon has been inadequately explored and Exterra is currently compiling all relevant data to help identify positions for ground EM surveys.

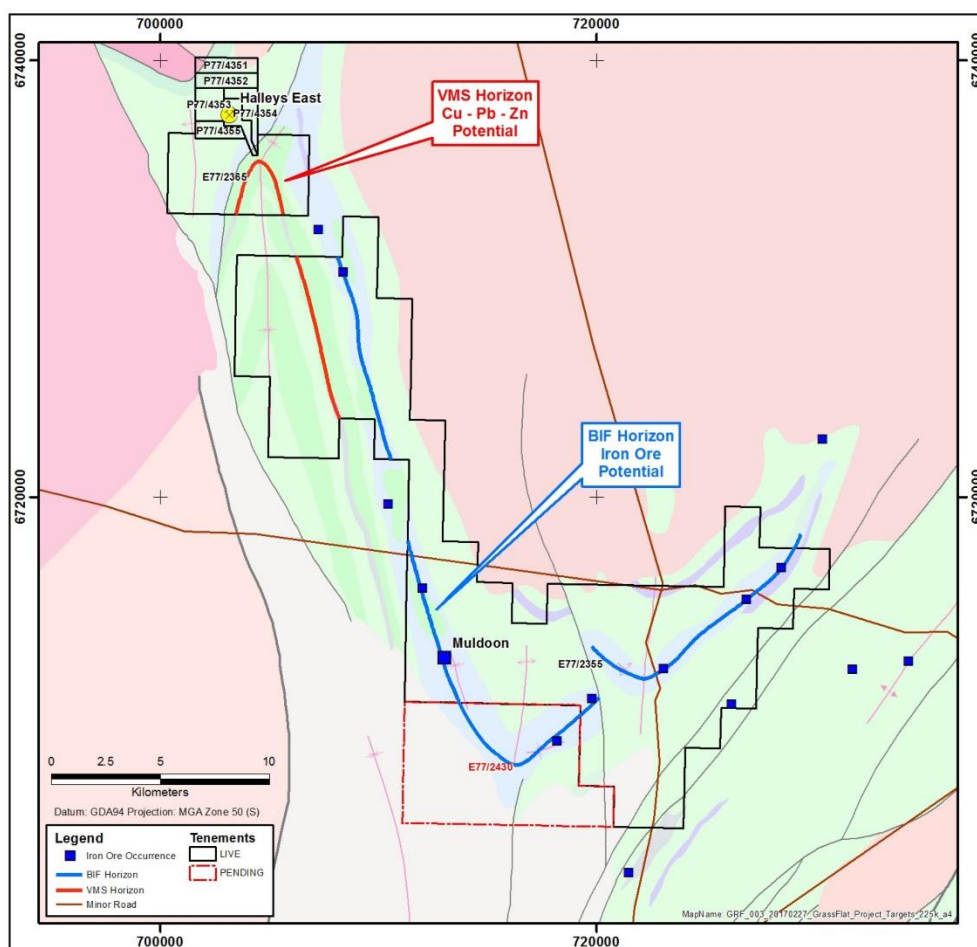


Figure 9: iron ore and base metal potential of the Grass Flat Project.

The Grass Flat Project is highly prospective for a range of commodities and deposit styles. Structurally controlled lode-gold deposits are the primary focus, however the licenced area is also prospective for bulk tonnage iron ore and volcanogenic massive sulphide-type base metal deposits. Exterra will systematically evaluate all of these prospects to prioritise exploration.

3.0 MOOLYELLA LITHIUM PROJECT, Western Australia, (E45/4462 - option to acquire 90%, ELA45/4766 100%)

The Moolyella Project is located 23 km ENE of Marble Bar and consists of E45/4462 covering 86 sq km, and ELA45/4766 covering 3 sq km, holding a substantial position in a highly mineralised Li, Sn, Ta district in the Pilbara region of WA. (Figure 10)

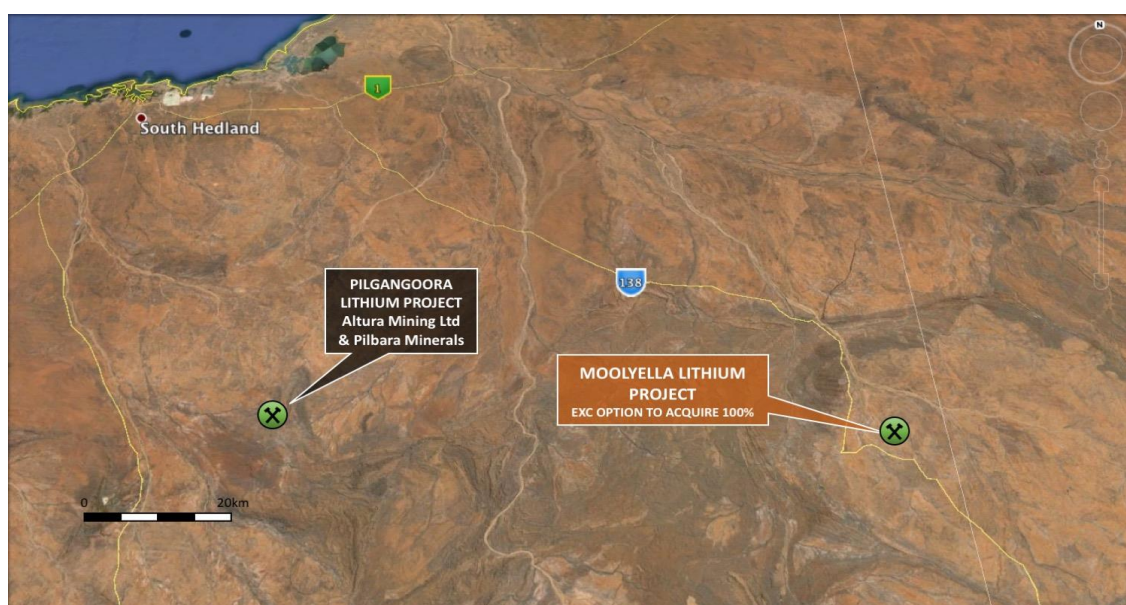


Figure 10: Moolyella Lithium Project Tenement Location Plan

During January 2017 Exterra completed a further phase of field work following air photo interpretation which indicated targets in areas not previously explored, particularly on ELA45/4766. 39 “Points of Interest” were recorded which formed the basis of the field work to locate and sample where appropriate.

18 sites were deemed suitable for sampling with pegmatite outcrop being recorded. Field reconnaissance confirmed the presence of extensive pegmatite outcrop on ELA45/4766 (100% Exterra), which had not previously been reported. The presence of lithium bearing minerals was noted, including Lepidolite. (Figure 11)

Of the 18 samples collected, 4 located on ELA45/4766 reported Li₂O values of 1.19%, 1.06%, 0.96%, 0.54% with a further 2 samples from E45/4462 reporting 1.98% and 0.75% Li₂O.



Figure 11: Lepidolite bearing pegmatite ELA45/4766

Exploration completed during 2016 included:

- re-sampling of historic RC drill hole chips which indicate pegmatite lithologies and which are potentially Lithium bearing
- geological mapping to outline the extent of potential lithium bearing pegmatites, the presence of spodumene (pegmatite lithium mineral) and structural controls
- rock chip sampling of identified pegmatite rocks to determine their Lithium content

At a 0.1% Li₂O cut-off, 39 samples from the Phase 1 programme reported highly anomalous results up to 1.25% Li₂O.

4.0 MALCOLM GOLD PROJECT, Western Australia (100%)

The Malcolm Project consists of granted Mining Lease M37/1164 (105 ha), over 2.0km in strike, and contains 37,900 ozs* at 8.3 g/t Au in Inferred Resources. The historic North Star and Richmond Gem gold mines produced 40,000 oz of gold at an average grade of 21.03 g/t Au and 28.00 g/t Au respectively between 1894 and 1915. The project is located 18km to the east of Leonora and 70km to the NW of Zelica/Eucalyptus in the North Eastern Goldfields of Western Australia.

Exterra is reviewing data and planning further drilling to confirm and upgrade resources

5.0 ZELICA GOLD PROJECT, Western Australia (100%)

The Zelica gold project is located 30km to the NW of Linden, contains 30,000 ozs* in Indicated and Inferred Resources and represents a potential production centre to support the Linden Project development.

6.0 EUCALYPTUS GOLD PROJECT, Western Australia (90-100% interest)

As noted previously, the Eucalyptus Project is subject to forfeiture taken against the tenements, while under management by the prior owners. A Wardens Court hearing was attended early December 2015, where submissions were lodged and heard for the Forfeiture action. The Warden subsequently recommended

forfeiture of the leases which has been referred to the Minister for Mines. Exterra has lodged a submission to the Minister and his finding is awaited.

*Refer Resources tabulation, Exterra Annual Report, June 2016, Review of Operations page 14.

7.0 APRIL QUARTER 2017 ACTIVITIES

The following activities are planned to be undertaken during the March 2017 quarter:

Linden Gold Project:

- Processing of mullock dumps
- Finalisation of ore sale/purchase agreement
- Finalisation of haulage contract
- Pit and underground dewatering
- Roll out of mine contracting strategy

For further information:

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About Exterra Resources Limited

Exterra Resources Limited (ASX:EXC) is a gold exploration and development company based in Perth, Western Australia, with a focus on high grade, high margin gold projects with near term production potential to fund the future growth of the company. The Company's projects are all located in the Archaean Yilgarn Craton in WA, a world class gold province which has been a prolific producer of gold since the late 1880's and includes the Kalgoorlie "Golden Mile" deposit which has produced over 50 million ounces of gold since discovery in 1893.

Exterra's focus is on the Linden gold project in the North Eastern Goldfields region, within the Laverton Tectonic Zone, which hosts multi million ounce deposits including Sunrise Dam (Anglo Gold) and Granny Smith/Wallaby (Barrick Gold). The Second Fortune gold mine, at Linden, 220km by road, NNE of Kalgoorlie, is currently the subject of a development study, with all Regulatory approvals received to commence project development of an underground mining operation.

Competent Persons Statement

The information in this report that relates to database compilation, sampling processes, geological interpretation and mineralisation, project parameters and costs and overall supervision and direction of Mineral Resource is based on and fairly represents, information and supporting documentation compiled under the overall supervision and direction of John Davis (Member of the Australasian Institute of Mining and Metallurgy and the AIG). Mr Davis has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Davis consents to the inclusion in the release of the statements based on their information in the form and context in which they appear.

Information in this report that relates to estimation, depletion and reporting of Mineral Resources is based on and fairly represents, information and supporting documentation compiled by Mike Job who is a Member of the Australasian Institute of Mining and Metallurgy and a full time employee of QG Consulting Pty Ltd. Mike Job has sufficient experience 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". Mike Job consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Ore Reserves has been compiled by Stephen O'Grady, Principal of Intermine Engineering Consultants, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr O'Grady has had sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves'. Mr O'Grady consents to the inclusion in this announcement in the form and context in which it appears.

Please note with regard to exploration targets, the potential quantity and grade is conceptual in nature, that there has been insufficient exploration to define a Mineral Resource and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

Forward Looking Statements

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding gold prices, exploration costs and other operating results, growth prospects and the outlook of Exterra Resources' operations contain or comprise certain forward looking statements regarding Exterra Resources' exploration operations, economic performance and financial condition. Although Exterra Resources believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties in foreign countries, fluctuations in gold prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. Exterra Resources undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated event.

Appendix 1

ASX Additional Information for Quarterly Report to 31 March 2017

	Tenement reference	Location	Interest at beginning of quarter	Acquired / Disposed	Interest at end of quarter
Mining tenements	E39/1232	LINDEN	100%	N/A	100%
	E39/1539	LINDEN	100%	N/A	100%
	E39/1754	LINDEN	100%	N/A	100%
	E39/1977	LINDEN	100%	N/A	100%
	L39/0012	LINDEN	100%	N/A	100%
	L39/0013	LINDEN	100%	N/A	100%
	L39/0014	LINDEN	100%	N/A	100%
	L39/0230	LINDEN	100%	N/A	100%
	M39/0255	LINDEN	100%	N/A	100%
	M39/0386	LINDEN	100%	N/A	100%
	M39/0387	LINDEN	100%	N/A	100%
	M39/0500	LINDEN	90%	N/A	90%
	M39/0629	LINDEN	100%	N/A	100%
	M39/0649	LINDEN	100%	N/A	100%
	M39/0650	LINDEN	100%	N/A	100%
	M39/0780	LINDEN	100%	N/A	100%
	M39/0781	LINDEN	100%	N/A	100%
	M39/0794	LINDEN	100%	N/A	100%
	P39/5599	LINDEN	100%	N/A	100%

	Tenement reference	Location	Interest at beginning of quarter	Acquired / Disposed	Interest at end of quarter
	E39/1897	ZELICA	100%	N/A	100%
	M39/1101	ZELICA	100%	N/A	100%
	M37/1164	MALCOLM	100%	N/A	100%
	M39/0292	EUCALYPTUS	100%	N/A	100%
	M39/0480	EUCALYPTUS	100%	N/A	100%
	M39/0914	EUCALYPTUS	90%	N/A	90%
	M39/0966	EUCALYPTUS	90%	N/A	90%
	M39/0969	EUCALYPTUS	90%	N/A	90%
	M39/0991	EUCALYPTUS	90%	N/A	90%
	M39/1064	EUCALYPTUS	90%	N/A	90%
	P77/4351	GRASS FLAT	100%	N/A	100%
	P77/4352	GRASS FLAT	100%	N/A	100%
	P77/4353	GRASS FLAT	100%	N/A	100%
	P77/4354	GRASS FLAT	100%	N/A	100%
	P77/4355	GRASS FLAT	100%	N/A	100%
	P77/4356	GRASS FLAT	100%	N/A	100%
	E77/2355	GRASS FLAT	100%	N/A	100%
	E77/2365	GRASS FLAT	100%	N/A	100%