

ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017

QUARTER HIGHLIGHTS:

West Musgrave Project

- **Further Scoping Study (FSS) nearing completion.**
 - Significant improvements in water supply outlook through identification of groundwater resources within the existing tenements.
 - Positive energy study outcomes contemplating conventional and renewable options.
 - Transport routes and options confirmed with expected cost reductions compared to prior studies.
 - Numerous resource extension targets remain untested
- **Comprehensive Metallurgical program delivers positive results**
 - Nickel concentrate grades of 10-12% achievable at 60-70% recovery
 - Copper concentrate grades of 21-25% achievable at 78-80% recovery
 - Marketable concentrates with low impurities and likely by-product credits
 - Opportunities identified for further improvements
- **Further Scoping Study on track for delivery mid Q4 2017.**

Cassini Resources Limited (ASX:CZI) ("Cassini" or the "Company") is pleased to report on the significant progress made at its development and exploration projects during the September 2017 Quarter.

Corporate Update

The Farmin/Joint Venture with OZ Minerals Limited has continued to progress well.

OZ Minerals expect to make a decision around the progression to the next stage of funding for the West Musgrave Project (WMP) in mid Q4 2017. Whilst OZ Minerals remains in the joint venture, Cassini is free carried on the WMP expenses until a decision to mine.

The next stage of funding requires OZ Minerals to fund \$19M on development and exploration within an 18 month period in order to earn 51% of the Project. Should OZ Minerals decide to progress to the next funding stage, as operator, Cassini will receive a Project management fee.

West Musgrave Project (CZI 100%, OZL earning up to 70%)

Further Scoping Study (FSS)

The key outcomes of the FSS are to increase confidence in metallurgical performance of a full range of mineralisation types within the Nebo-Babel deposits. These results will then be used to update previous mining and processing studies in order to determine optimal size of the operation. In addition, all capital and operating costs are being reviewed and updated for inclusion in the current study.

The Further Scoping Study (FSS) activities progressed on schedule during the September 2017 quarter, with delivery of the Study outcomes expected mid Q4 2017.

Water Study

Water supply for the WMP was previously identified as one of the critical unknown development aspects of the project.

Independent consultants, CDM Smith, have been engaged to review the water supply options for the project. The study included a detailed desktop assessment of all potential groundwater sources and incorporated the results from three groundwater exploration holes that were drilled in April this year to test paleochannel aquifers approximately 20km from Nebo-Babel. Water supply infrastructure concepts for multiple water demand scenarios and different groundwater sources were also developed and evaluated.

This study has shown that there are a number of water supply options for the WMP all of which could potentially be developed. In the 2015 scoping study, Cobb Depression, located over 130km from Nebo-Babel, was identified as a primary source of water for the project. The work in the current study has identified that nearby (<25km) paleochannel aquifers are highly likely to have the potential to support water requirements for the project. This option is expected to provide a more cost effective solution with lower risks with respect to tenure and access.

Final water study results will be published in the Further Scoping Study report

Energy Study

WSP were engaged to undertake a study of power generation options for the project. Energy source options considered for conventional generation comprised diesel, gas and LNG. Renewable energy sources considered comprised wind, solar and a number of hybrid options using wind, solar, battery and diesel backup options.

In addition to updating diesel power generation assumptions, the study included high-level assessment of gas power generation, a first for the project. Gas power is generally a very cost effective power solution for projects with long mine life, which is required to offset high gas pipeline capital costs.

Renewable energy options included a more detailed assessment of the WMP area in order to identify areas that may provide improved wind resource for potentially siting a large wind farm. A new site has been identified within the project which has a theoretical 35% greater wind energy compared to the site that was previously contemplated. A wind mast is planned to be erected early in the PFS to collect base line data and confirm wind energy estimates that were used in the power generation assumptions.

The preferred power generation solution will depend on the scale of processing throughput and is not expected to be finalised until later stages of study.

Transport Logistics Study

Qube Bulk were engaged to undertake Transport Logistics Study, which has resulted in significantly lower concentrate transport costs compared to those used in the 2015 Scoping Study.

The Study has confirmed that the previous transport option of exporting concentrates through Esperance or

Geraldton ports is still the preferred route. This option includes road transport along the Great Central Road to a central hub at Leonora, followed by rail transport to Esperance or road to Geraldton.

Qube has also provided transport costs for inbound mine consumables and evaluated back-loading options, which may have the potential to further reduce overall transport costs.

Metallurgical Testwork Program

Testwork in Cassini's 2015 scoping study was focused on the relatively high head grade ore domains, which would be processed through a 1.5Mtpa treatment plant. The scope of the FSS testwork program was designed to cover whole ore composites and variability samples which are representative of the ore domains and average head grades aligned with the increased project size development options.

The testwork was conducted at Bureau Veritas Laboratories in Perth under the supervision of GR Engineering Services and is the most thorough metallurgical program undertaken to date. It comprised 200 flotation tests and covered 17 variability composites (different mineralised domains covering a range of nickel and copper grades). Two locked cycle tests on master composites, each representing typical run of mine material, of the early and later years of a likely mine schedule, have also been tested. Locked cycle tests are used to simulate continuous flotation circuit conditions, such as those in an actual process plant, during which various streams are recycled until the test achieves stability.

The program successfully produced separate, saleable nickel and copper concentrates from all mineralised domains including the weathered ore-domains (transition zone and pyrite-violarite zones, but not oxide). The Company expects to receive by-product credits for cobalt, platinum, palladium and gold. Importantly both concentrates have no penalty elements such as arsenic and have high Fe:MgO (≥ 10), both of which are desired by smelters.

These results will be used to update the mining and processing studies in order to determine the optimum size of the operation.

Results of the final cycle for the two master composites are shown below:

Mineralisation Type	Nickel Concentrate		Copper Concentrate	
	Recovery (%)	Grade (%)	Recovery (%)	Grade (%)
Master Composite A	45	10	78	21
Master Composite B	70	10	78	25

Master Composite A comprises 10% Nebo primary massive and breccia mineralisation, 30% Nebo weathered massive and breccia mineralisation and 60% Babel weathered disseminated mineralisation. This composite approximates one of the potential processing streams during the first 2 years of operation.

Note: Master Composite A includes 90% of the shallow weathered mineralisation which would be mined first. With only 10% primary ore, it is likely to represent a near worst-case processing scenario. An objective of future study phases is to find the optimum blend of the weathered and primary ore before the operation returns to steady-state production on 100% primary ore in later years.

Master Composite B comprises 50% Nebo primary massive and breccia mineralisation, 48% Babel primary disseminated mineralisation and 2% Babel disseminated transition zone. This master composite approximates potential processing streams in the latter years of operation.

Note: Based on the results of Master Composite B, Cassini could reasonably target a final nickel concentrate

grade of 10-12% with recoveries in the range of 60-70%.

This program has significantly de-risked the metallurgical component of the project by testing weathered mineralised domains, which usually result in lower nickel recoveries, but these are important in the early stages of the project. Copper recovery appears to be only marginally lower in the weathered zones compared to primary zones. Lower nickel recoveries in the weathered domains are primarily due to the effect on altered sulphide minerals, pyrite and violarite being the most dominant ones at Nebo-Babel. Mining operations usually address this by blending the weathered domains with the better performing primary domains.

Furthermore, a parallel program of independent umpire testwork has been completed by ALS Laboratories in Perth. This program successfully reproduced the initial results.

Opportunities for further improvement and optimisation

Further work on the optimisation of concentrate grades and recoveries is planned to be tested by completing additional locked cycle tests on multiple master composites, representing run of mine material across different ore domains and nickel and copper grades at various stages through the mine plan. Evaluation of different ore blending options, particularly with the weathered zones, will also be a priority.

The Company also completed a trial magnetic separation test on Nebo massive sulphide mineralisation as an alternative processing method aimed at improving nickel concentrate grade in the final step in the process flow sheet. This test gave encouraging results and produced a 11.7% nickel concentrate with >80% recovery. This is a successful proof of concept that now needs to be applied to the disseminated styles of mineralisation, which if proven successful could potentially lead to lower capital and operating costs.

The completion of the metallurgical testwork is a significant milestone of the FSS, the results of which now feed into the Metallurgical model, mine optimisation and financial modelling. FSS activities are progressing on schedule towards delivery in Q4 2017.

ACTIVITY	STATUS
Metallurgical Test Work	Complete
Transport Logistics Study	Complete
Energy Study	Complete
Water Study	Complete
Resource Extension Drilling	Complete
Process Plant Design	Complete
Geology & Resource Modelling	Complete
Mine Optimisation and Design	In Progress
Study Compilation & Delivery	Delivery Q4

Mount Squires Gold Project (100% CZI)

Cassini is continuing to progress land access permitting with the Ngaanyatjarra Land Council and environmental clearances with relevant government departments, prior to commencing exploration activities.

No field activities were conducted during the Quarter.

Background

Gold prospectivity was first identified at Mount Squires by Western Mining Corporation (WMC) during geochemical surveying in the late 1990's. The Company's primary target was nickel and copper sulphide which returned poor results although several gold anomalies were identified. Despite this the tenements were later surrendered.

Cassini has been developing the Project over the past 12-18 months through the consolidation of tenements with a number of prospective gold targets, which includes a range of conceptual to advanced prospects. Previous RC by Beadell Resources Ltd in the mid 2000's identified a number of gold prospects with further soil geochemistry, rock chip sampling and mapping. Drilling of these anomalies led to the discovery of significant mineralisation at the Handpump Prospect with significant intercepts of 15m @ 2.3g/t from 31m including 5m @ 4.7g/t from 34m and 12m @ 1.3 g/t including 5m @ 2.0g/t from 25m (Figure 1). Mineralisation is described as flat-lying, hosted in rhyolite breccias and has epithermal style or intrusion-related mineralisation characteristics. Beadell's exploration after the initial discovery was limited due to a change in corporate strategy and the project was later surrendered. Only 26 RC holes have been drilled at this prospect and mineralisation remains open in most directions. Whilst at an early stage of exploration, the thickness and tenor of gold mineralisation demonstrates the economic potential of the Project.

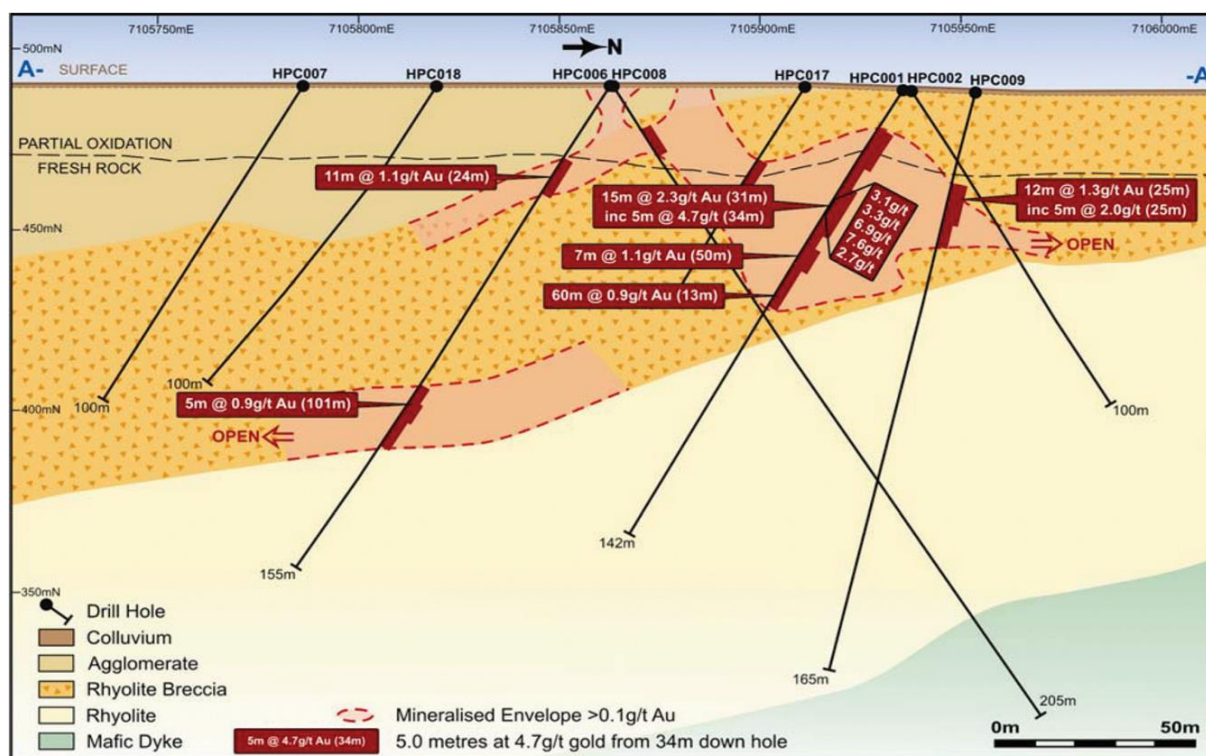


FIGURE 1. Handpump Prospect Section 332200E (Source: Beadell Resources Ltd ASX release 1 March 2010).

New interpretation provides numerous targets

Recent geological interpretation has benefited from Cassini's growing knowledge base at the adjacent West Musgrave Project through identification of structures controlling mineralisation in the Mount Squires Project. This has highlighted a structural corridor striking over 50km. The previous fractured ownership has prevented the structural corridor from being explored thoroughly.

Handpump is associated with a subtle magnetic anomaly. This signature has been used to identify other magnetic features elsewhere along the structural corridor that may potentially host similar styles of mineralisation.

In addition to the Handpump Prospect, the Mount Squires Project contains a number of recognised gold and pathfinder element geochemical anomalies including the Centrifical Prospect, 3km south east of Handpump which is part of the interpreted structural trend (Figure 2). Much of the structural corridor is obscured by a veneer of sand cover which has potentially inhibited prospecting and soil geochemistry, particularly in the south-eastern corner of the project area. The Company has also recognised fault intersections and magnetic anomalies in under-explored areas of the project which present prospective exploration targets.

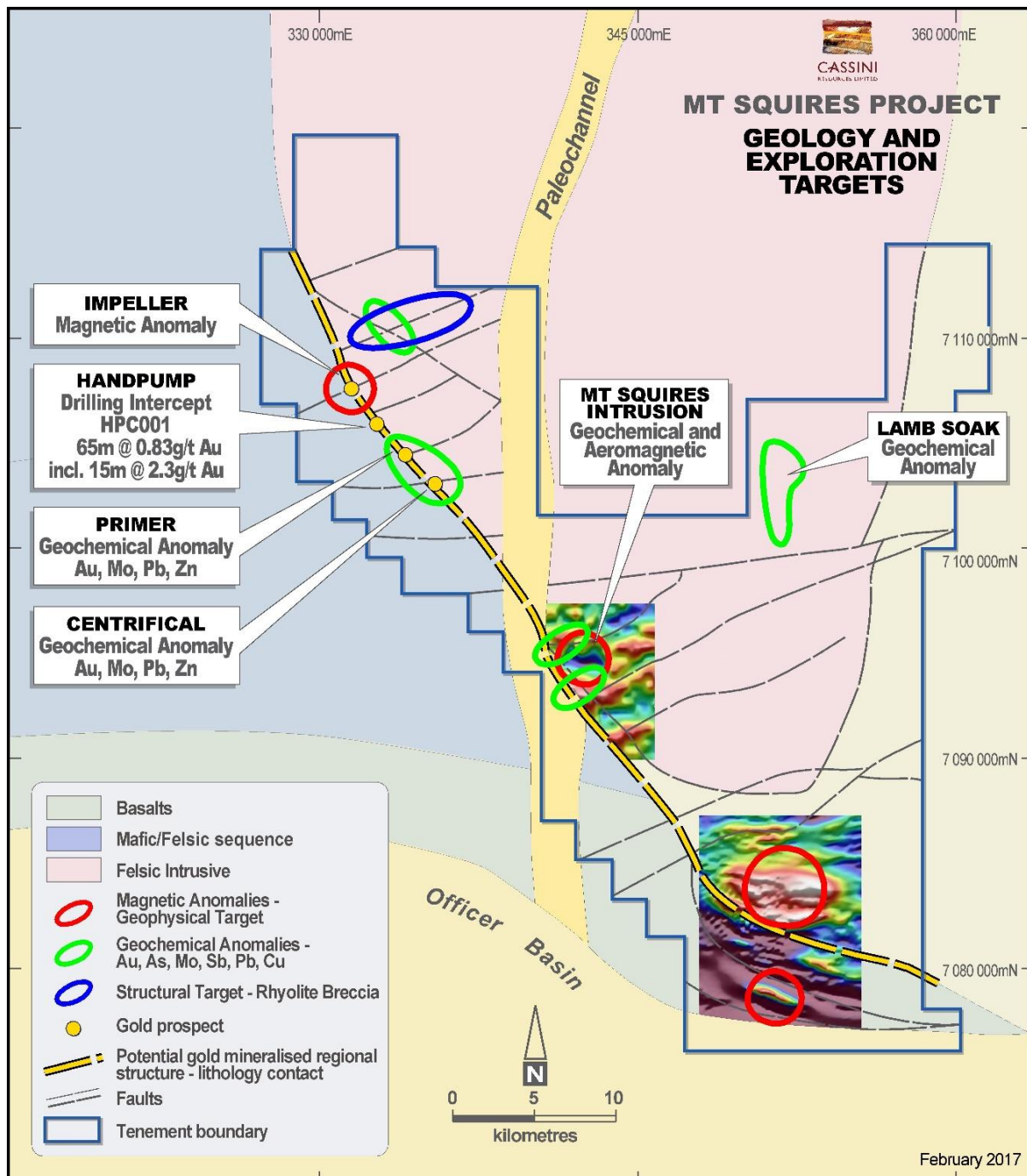


FIGURE 2. Mount Squires Project geology and exploration targets.

Next Steps

Cassini has compiled all previous exploration into a consolidated database and utilised public geological and geophysical datasets to assist with geological interpretation and targeting. The Company is finalising work programs involving targeted reverse circulation (RC), reconnaissance RAB drilling and soil geochemistry programs to be undertaken upon receipt of heritage and environmental approvals. Further details of work programs will be announced once all clearances are received.

The adjacent West Musgrave Project provides a useful logistics base and the Company has demonstrated expertise in operating in the region (Figure 3). The Mount Squires Project complements the Company's diversified portfolio alongside the flagship West Musgrave nickel and copper assets and the early-stage West Arunta Zinc Project.

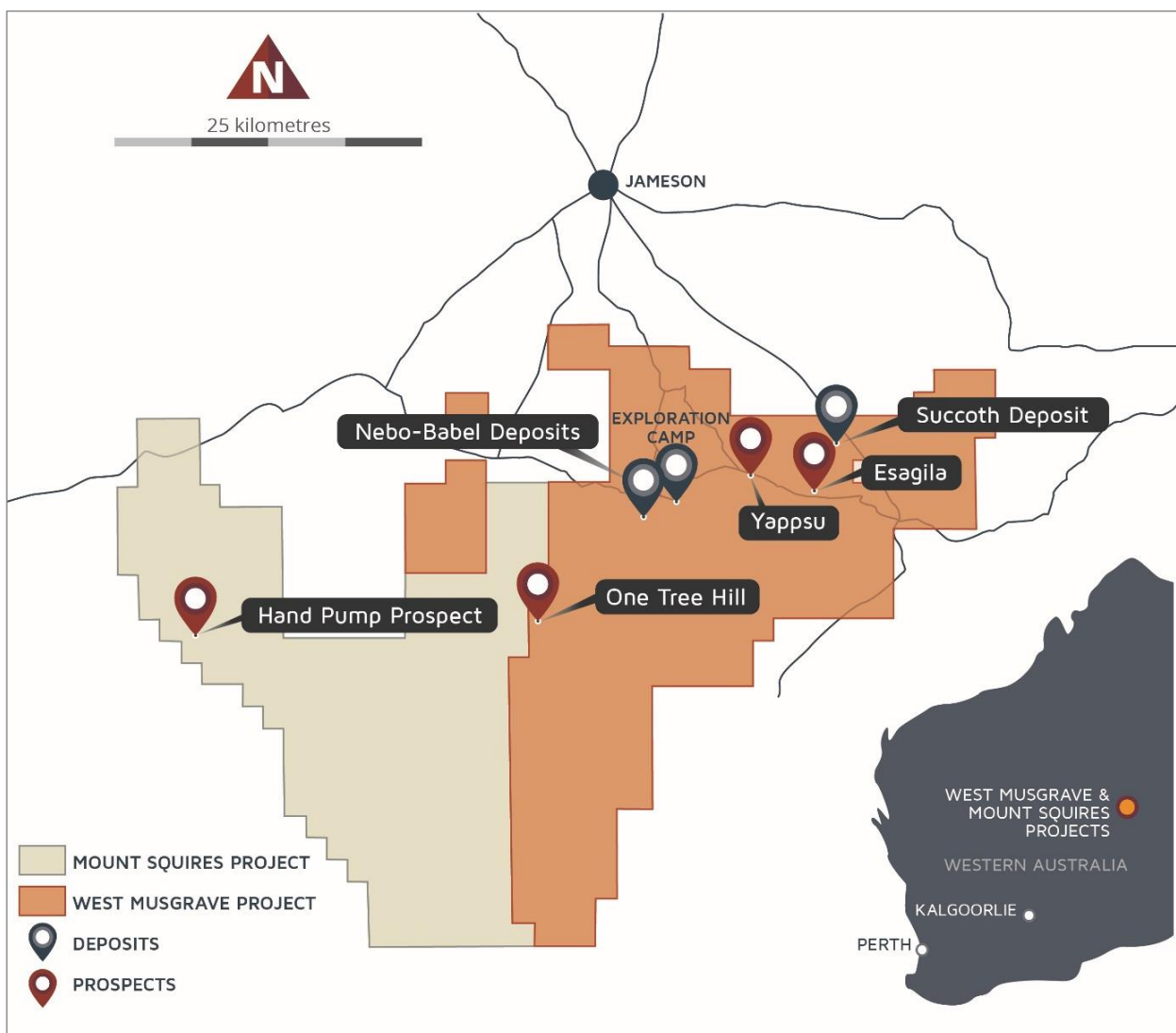


FIGURE 3. Mount Squires and West Musgrave Project location.

West Arunta Project (100% CZI)

The West Arunta Project is a highly prospective base and precious metals target in an underexplored region near Lake McKay in Western Australia. Cassini is targeting large-scale, sedimentary Zn-Pb mineralisation, similar to those deposits found in the Mt Isa region in Queensland.

No field activities were conducted during the Quarter.

Background

Cassini is targeting large-scale, sedimentary Zn-Pb mineralisation, similar to those deposits found in the Mt Isa region in Queensland. A modern-day analogue is the Century Deposit mined by MMG, with a pre-production resource of 167mt @ 8.1% Zn, 1.2% Pb and 33g/t Ag. Century produced a prominent Zn-Pb soil anomaly centred on a siltstone outcrop. Rock chip samples from this outcrop returned only 1-2% Pb & Zn and was later recognised as part of the orebody, but due to strong leaching and a lack of iron oxides, produced a very subtle geochemical and visual expression of the mineralisation.

Recent infill geochemistry sampling has identified several new soil anomalies coincident with the interpreted Dione horizon, the preferential host for sedimentary zinc mineralisation (Figure 4). The Epimetheus Prospect is a large multi-point Pb-Zn-Ag anomaly near the interpreted fold closure of the Dione Horizon, possibly representing anomalism on each limb of the fold and possibly in the fold axis as well. The Hyperion Prospect is primarily a Zn anomaly with a large number of associated path-finder elements. Interestingly, the Hyperion anomaly occurs in favourable regolith just north of the Mimas conceptual target, which is masked by sand cover.

The third new target is a large coherent Cu-Zn anomaly (Phoebe Prospect) has also been identified in basement rocks. This anomaly probably represents a different style of mineralisation but nonetheless warrants further investigation.

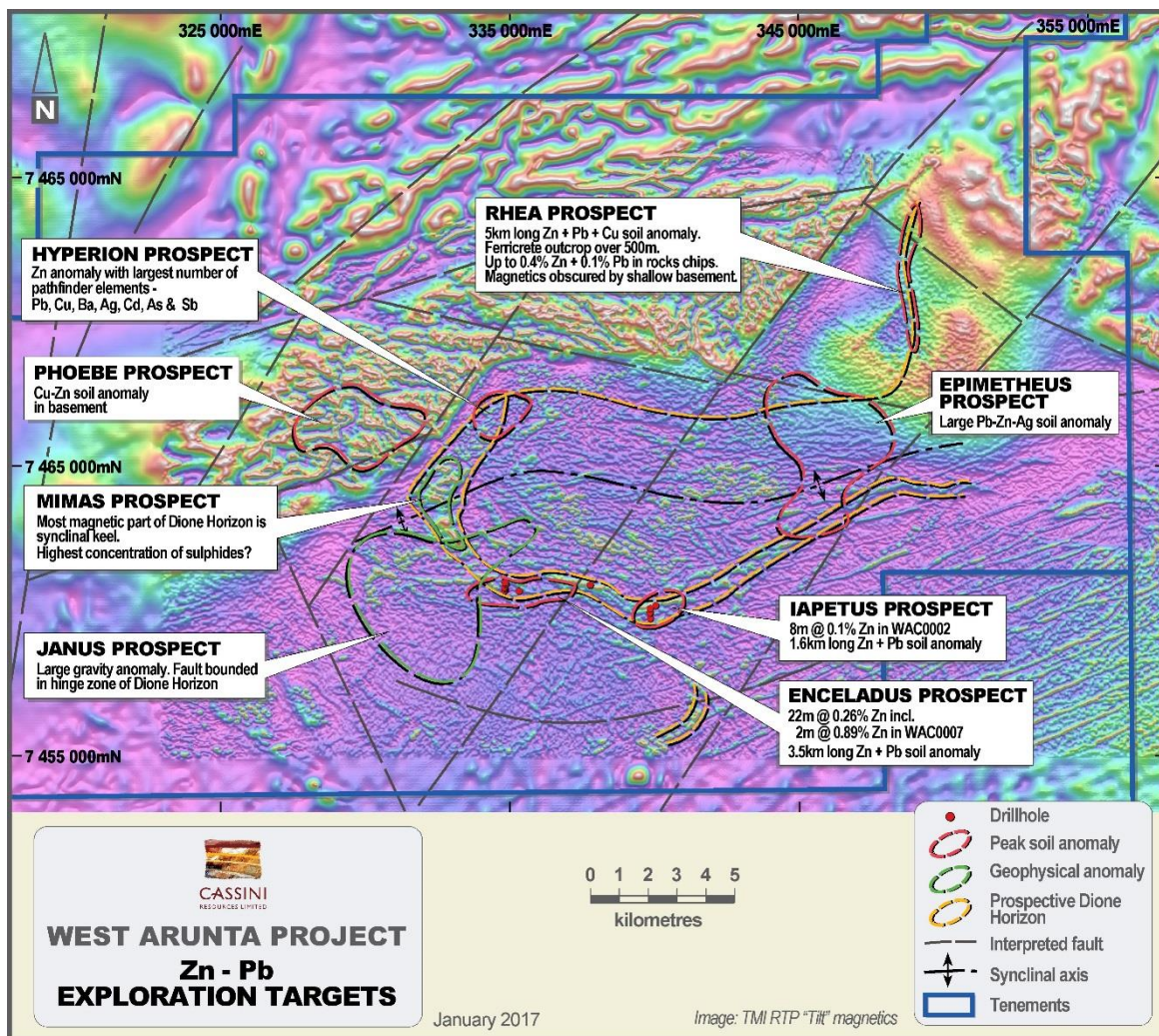


FIGURE 4. West Arunta Project exploration targets.

RC Drilling during May 2016 returned broad zones of sub-surface enrichment in zinc and associated elements within the weathered zone at both Iapetus and Enceladus Prospects. Best results include 22m @ 0.26% Zn from 13m including 2m @ 0.89% Zn from 22m in WAC0007 at the Enceladus Prospect (Figure 5). Anomalous zones of accessory metals were also intersected such as 21m @ 1.2g/t Ag from 9m in WAC0010. Individual samples of Pb & Cu peaked at 697ppm in WAC0010 and 178ppm in WAC0012 respectively.

All zinc enrichment was intersected in the weathered zone within two main sub-horizontal layers. The zinc-anomalous ferruginous-zones, originally hypothesized as gossans, which were the target of drilling, are reinterpreted to represent hydromorphic ferricretes. These are iron-rich accumulations that have been deposited in the regolith through the lateral movement of groundwater. It is very likely that zinc-rich ferricretes are the result of dispersion plumes from a proximal primary zinc mineralisation source as most ferricretes in the area are not base-metal anomalous.

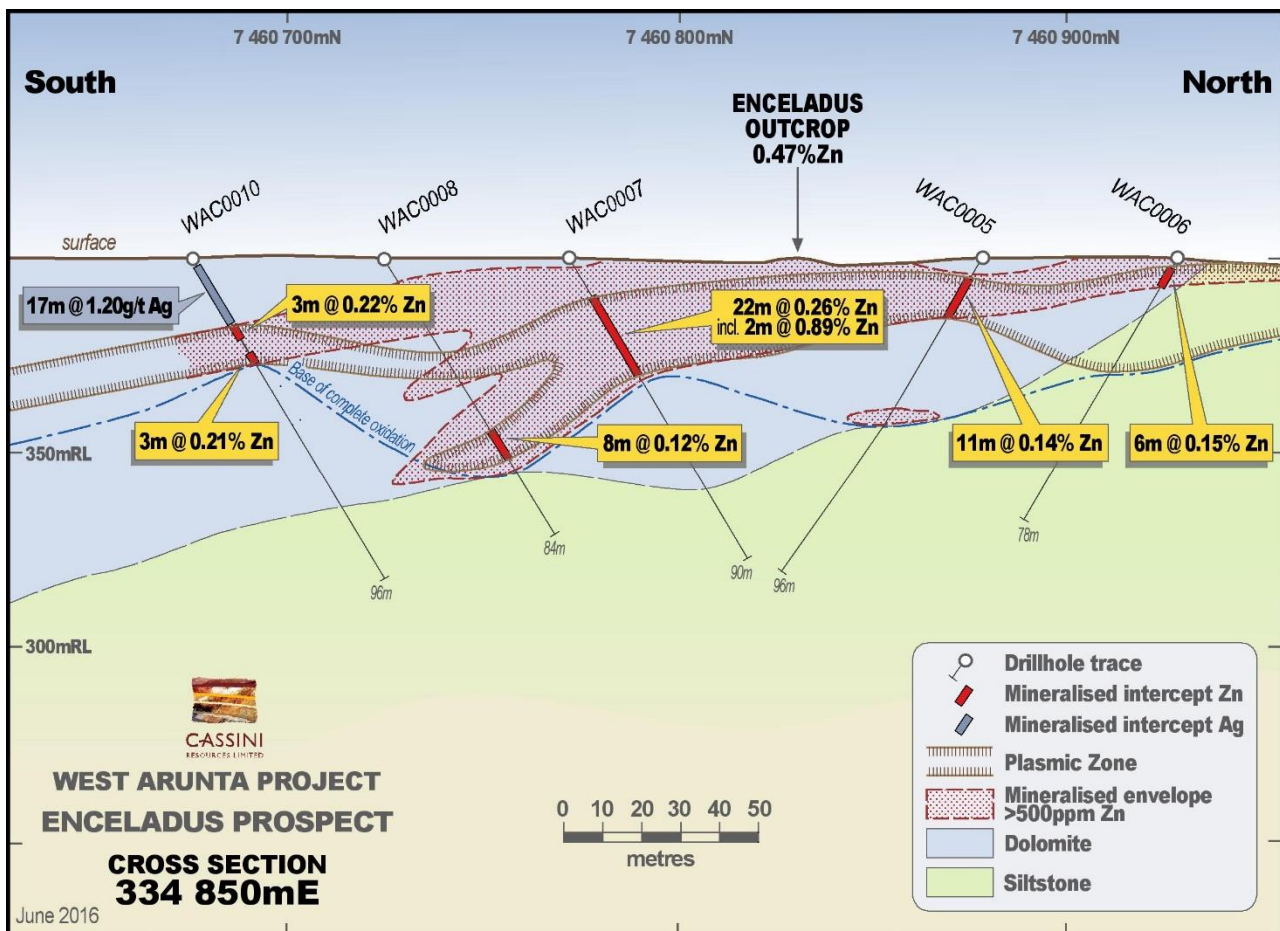


FIGURE 5. Enceladus cross section.

The quantum of zinc anomalism and the presence of accessory metals such as silver are very encouraging and point to a primary zinc sulphide source nearby.

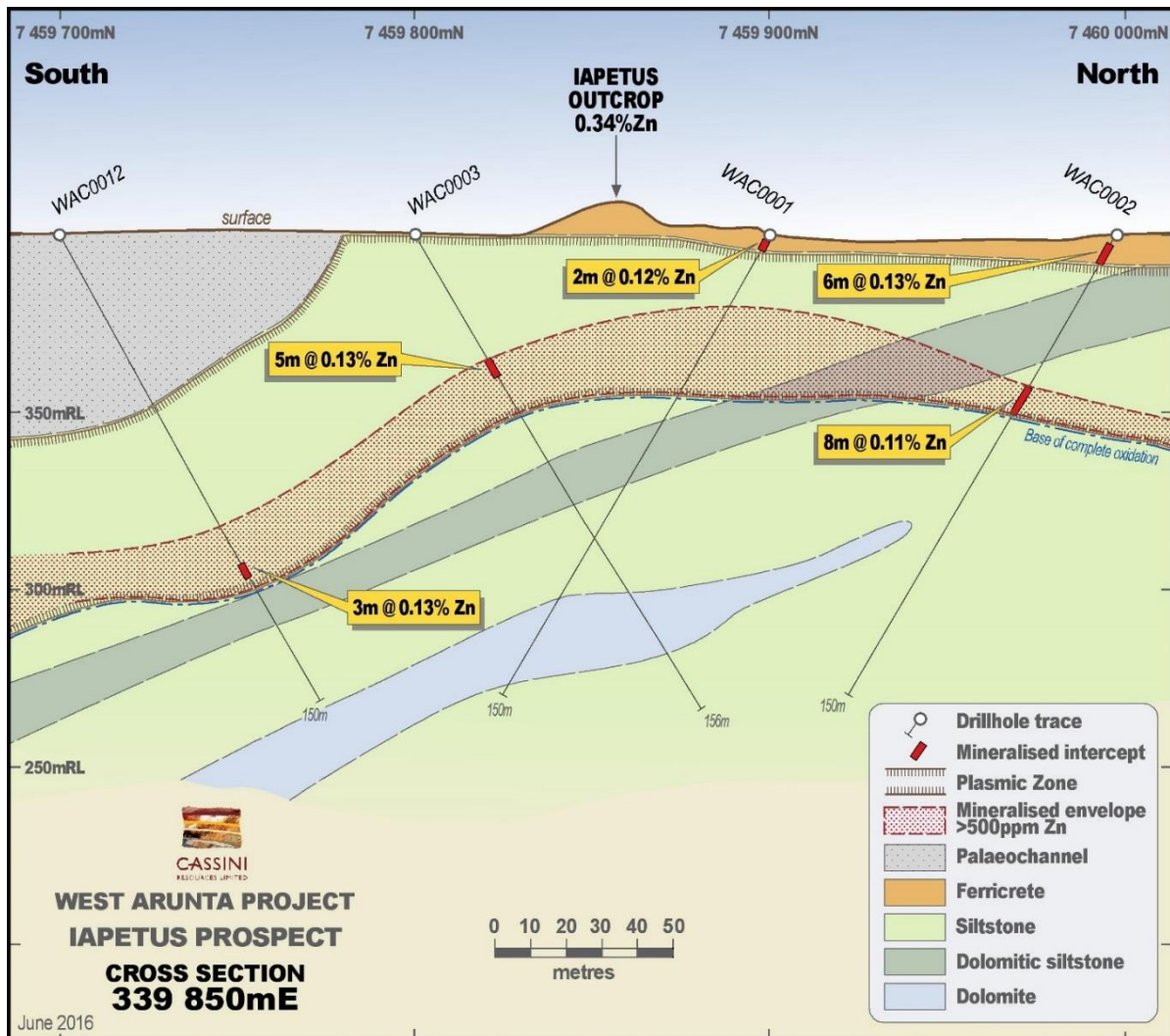


FIGURE 6. Iapetus cross section.

The geology is dominated by dolomites and siltstones with an apparent gentle southerly dip. The degree of weathering is much stronger and deeper than first interpreted. The regolith profile includes a plasmic zone with complete oxidation of primary minerals to clays and is generally associated with zinc enrichment. The geology is broadly similar at both prospects.

Zinc enrichment occurs as an upper enrichment zone at, or near, the surface as well as a deeper saprolitic enrichment at the base of complete weathering. The upper enrichment zones manifest as ferricretes, originally hypothesised as gossan outcrops. No primary zinc mineralisation was intersected.

The near-surface zinc-enriched ferricretes and the lower zinc enriched zones have been formed by hydromorphic dispersion, that is, zinc has been deposited in the regolith through the lateral movement of ground water and variations in the water table. It is very likely that such zinc-rich ferricretes relate to a nearby primary zinc mineralisation source. Most ferricretes in the area are simply not base-metal anomalous.

Additional evidence for a nearby primary source at the West Arunta includes the following points:

- Drilling did not intersect any zinc-enriched lithological units in the fresh rock that could plausibly produce zinc-anomalous regolith concentrations through land surface leaching and residual enrichment in the regolith
- Other ferricretes have been found in the project area with no zinc enrichment.

A large residual gravity anomaly to the west of Enceladus (Figures 4 & 7) is now considered the primary exploration target in the project (Janus Prospect). Like the Mimas Prospect, this area is primarily covered by wind-blown sand and is not expected to provide a geochemical signature at surface.

Residual gravity enhances anomalies in a localised area from shallow sources. Gravity is a useful exploration tool in sedimentary zinc provinces due to the contrast between high density sulphide minerals and low density sediments. The main axis of the gravity anomaly correlates very closely with the boundary between the oxidised Heavitree Quartzite unit and the overlying more reduced (target horizon) Bitter Springs formation. This first contact between an oxidised and a reduced sequence is the classic position for sediment-hosted base metal mineralisation.

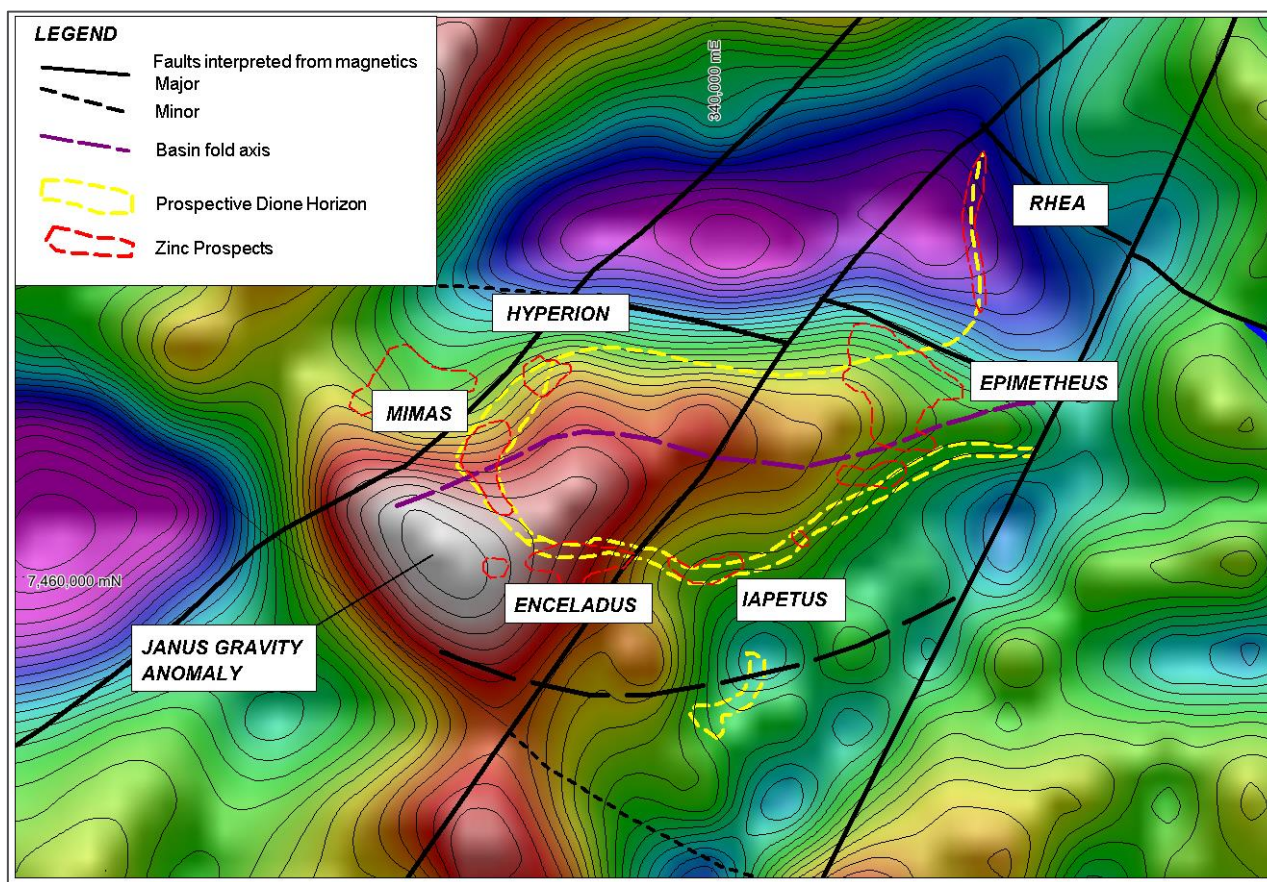


FIGURE 7. Residual gravity image of West Arunta Project showing zinc prospects.

Next Steps

The Company is encouraged that the results to date support the geological model which points to a primary source of zinc mineralisation within the project area. Recent soil geochemistry results have provided further evidence of an extensive sedimentary zinc system. Detailed field mapping over these new prospect areas is warranted.

The dispersion plume that has formed the zinc-enriched ferricretes at Iapetus and Enceladus can be tracked to its source, likely to be only up to a few kilometres away. Ground water flow is controlled by the topographic gradient, which can be modelled using modern geophysical techniques. Clay-rich, dispersion plume zones can be mapped by Airborne electromagnetics (AEM).

The Janus Prospect has been elevated up the target priorities due to the geophysical characteristics that may represent sedimentary sulphides. Infilling the regional gravity survey over the anomaly, combined with AEM, will assist with deeper drill targeting. These programs are now most likely to occur in the first half of 2018.

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About Cassini

Cassini Resources Limited (ASX: CZI) is a base and precious metals developer and explorer based in Perth. In April 2014, the Company acquired its flagship West Musgrave Project (WMP), located in Western Australia. The WMP is a world-class asset which currently has over 850,000 tonnes of contained nickel and 1.8 million tonnes of contained copper in Resource. The WMP is a new mining camp with three existing nickel and copper sulphide deposits and a number of other significant regional exploration targets already identified. The WMP is the largest undeveloped nickel copper project in Australia.

In August 2016, Cassini entered into a three-stage \$36M Earn-in/Joint Venture (JV) agreement with prominent Australian mining company OZ Minerals Ltd (ASX: OZL). The JV provides a clear pathway to a decision to mine and potential cash flow for the Company.

Cassini is also progressing its Mt Squires Gold Project in WA and an early stage zinc exploration project in the West Arunta region of WA.

Current Highlights:

- Cassini's West Musgrave project contains one of Australia's largest undeveloped nickel/copper deposits
- Cassini is free carried to a "decision to mine" via a 3 stage A\$36m Earn-in/Joint Venture agreement with OZ Minerals
- Previous Scoping Study presented highly attractive economics, supporting a long life, open pit development
- Significant exploration upside across portfolio with Succoth Copper deposit and multiple other mineralised targets identified at additional deposits
- High impact A\$8m regional exploration program to be executed in Stages 2 and 3 of the joint venture
- Track record of prudent investment and capital management with a CY2016 exploration / administration ratio of 1.5x (compares favourably to peer group average of 0.9x)¹

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr Greg Miles, who is an employee of the Company. Mr Miles is a Member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Miles consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

The Company is not aware of any new information or data, other than that disclosed in this report, that materially affects the information included in this report and that all material assumptions and parameters underpinning Mineral Resource Estimates as reported in the market announcement dated 25 February 2015 (Nebo & Babel Deposits) and 7 December 2015 (Succoth Deposit) continue to apply and have not materially changed.

Additional information regarding exploration results can be found in ASX releases of 30 May 2016, 23 June 2016, 1 May 2017, 8 June 2017, 14 June 2017, 19 July 2017 and 7 August 2017.

APPENDIX 1 – TENEMENT SUMMARY – 30 SEPTEMBER 2017

1. MINING TENEMENTS HELD				
Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
West Musgrave*				
E69/3163	WA	Granted	100%	100%
E69/3169	WA	Granted	100%	100%
E69/3164	WA	Granted	100%	100%
E69/3165	WA	Granted	100%	100%
E69/3168	WA	Granted	100%	100%
E69/1505	WA	Granted	100%	100%
E69/1530	WA	Granted	100%	100%
E69/2201	WA	Granted	100%	100%
E69/2313	WA	Granted	100%	100%
M69/72	WA	Granted	100%	100%
M69/73	WA	Granted	100%	100%
M69/74	WA	Granted	100%	100%
M69/75	WA	Granted	100%	100%
E69/3412	WA	Granted	100%	100%
L69/0024	WA	Granted	100%	100%
L69/0025	WA	Granted	100%	100%
Mt Squires				
E69/3424	WA	Granted	100%	100%
E69/3425	WA	Granted	100%	100%
Crossbow (West Arunta/X17)				
E80/4749	WA	Granted	100%	100%
E80/4796	WA	Granted	100%	100%
E80/4813	WA	Granted	100%	100%

*Note West Musgrave Project (WMP) tenements subject to agreement whereby OZ Minerals has the right to farm-in to Cassini's wholly owned WMP via a three stage process. Refer ASX announcement 13 October 2016.

2. MINING TENEMENTS ACQUIRED/DISPOSED

Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<u>Acquired</u> Nil				
<u>Disposed</u> E69/0064	WA	Surrendered	100%	0%

3. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS

Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
Nil				

4. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS ACQUIRED OR DISPOSED

Tenement Reference	Location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<u>Acquired</u> Nil				
<u>Disposed</u> Nil				

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

Cassini Resources Limited

ABN

50 149 789 337

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	(671)	(671)
(b) development	-	-
(c) production	-	-
(d) staff costs	(210)	(210)
(e) administration and corporate costs	(223)	(223)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	9	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (joint venture receipts & net GST)	307	307
1.9 Net cash from / (used in) operating activities	(788)	(788)

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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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	-	-
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	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings		
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	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,091	2,091
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(788)	(788)
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)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,303	1,303

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	720	597
5.2 Call deposits	79	574
5.3 Bank overdrafts	-	-
5.4 Other (JV funds held)	504	920
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,303	2,091

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

130

-

Executive and non-executive Director fees, geological consulting to a company associated with Dr Hronsky.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

50

-

Company secretarial & financial management consulting services to a company associated with Mr Warren.

Mining exploration entity and oil and gas exploration entity quarterly report

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	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
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.		

N/A

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(500)
9.2 Development	-
9.3 Production	-
9.4 Staff costs	(220)
9.5 Administration and corporate costs	(150)
9.6 Other	-
9.7 Total estimated cash outflows	(870)

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	P69/0064 Babo Nebel - GDA Western Australia	Surrendered	100%	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

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.

[lodged electronically without signature]

27 October 2017

Sign here:
(Director/Company secretary)

Date:

Steven Wood

Print name:

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.