ASX Announcement

31 October 2017

energia minerals limited
ABN: 63 078 510 988

Quarterly Activities Report
Period Ending 30 September 2017

Key areas of activity during the Quarter focused on:

- **Cost-effective evaluation of Gorno's regional zinc endowment:**
  - **Exploration programs utilising existing underground access for sampling and geological mapping of mineralised zones to the north and east of the current Resource Estimate for Colonna Zorzone have now been completed, highlighting the excellent potential for extensions (Refer to Figures 1-3)**
  - **Assay results obtained during the Quarter from these areas, include the following:**

    Results from Pian Bracca – about 270 m to the east of the existing resource:

    - **42.9% Zn, 4.6% Pb, and 52ppm Ag**
    - **42.2% Zn, 6.2% Pb, and 40ppm Ag**
    - **40.0% Zn, 8.4% Pb, and 56ppm Ag**

    Results from Piazzole – about 300m to the north of the existing resource:

    - **15.7% Zn, 4.3% Pb, and 47ppm Ag**
    - **18.6% Zn, 4.1% Pb, and 42ppm Ag**
    - **20.8% Zn, 5.7% Pb, and 83ppm Ag**
  - **Geological mapping and sampling, in combination with previous drilling results, are being used to model the extensions of the Colonna Zorzone resource, and design conceptual, low-cost confirmatory underground drilling programs for the future**
- **Review of production options for a starter-project based on the existing Colonna Zorzone resource:**
  - **The option of an underground processing plant adjacent to the mine at Colonna Zorzone has been selected for detailed study.**
  - **Independent technical reports have been prepared of the underground plant design, geotechnical stability of the underground voids, the revised PAF design, and on updated geological fault and domain information in the resource model to assist with detailed mine planning.**
  - **Additional metallurgical testwork has been undertaken to determine modelling of the concentrate grade and metallurgical recovery.**

The excellent results achieved by the low-cost exploration program have enhanced the understanding of the significant expansion potential of the Colonna Zorzone resource and, when coupled with the technical studies now nearing completion, will serve as the basis for the optimal drilling and development strategy for the Project.

ASX Code EMX

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Gorno Zinc Project - Italy

Project Configuration Options

Since the release of the updated resource for Colonna Zorzone the Company has been focused on evaluating two parallel streams to underpin Gorno's development, namely:

- a revised project scope based on the ongoing evaluation of the regional zinc endowment, and
- the ongoing study of production options for a starter-project based on the existing resource at Colonna Zorzone

The parameters of the original definitive feasibility study commenced in April 2016 included the assumption that the processing plant would be located at the site of the historical processing plant at Gorno. The crusher, ore-sorters and paste aggregate fill plant (PAF) would be located underground adjacent to the mine, and the ore would be transported to the Gorno based processing facility, a distance of approximately 10km away, via the Riso Parina tunnel which would require rehabilitation.

During the Quarter, the Company undertook a study of various production options for establishing a starter project based on the existing Colonna Zorzone resource. Evaluation of the options showed that locating the processing facility underground would provide a more viable alternative to the original Gorno site location.

While the current mineral resource is considered as a starter resource only and it is expected that additional exploration work may add extra sources of feed for the plant, it was decided to focus the study in detail on an Underground Plant option.

Under the proposed process flowsheet the mill feed will be delivered to the processing plant after ore-sorting, so presented at an enhanced feed grade as confirmed through detailed test-work conducted by both Steinert Elektromagnetbau GmbH and Tomra–Outotec.

In summary, the revised project scope provides the following benefits:

- No upfront capital requirement to rehabilitate the Riso Parina tunnel, no plant buildings required, reduced scale of PAF plant and pumps;
- Ore transport costs significantly lowered; reduced distance to pump PAF residues, lower building maintenance costs;
- Potentially less timely process for obtaining approvals;
- Reduced environmental impacts from noise, dust and visual perspective; and
- A confirmed geotechnically stable environment for the underground voids which will contain the processing infrastructure.

Technical work undertaken during the Quarter included revised plant design (GBM Mineral Engineering Consultants), confirmation of the geotechnical stability of chambers and mine (Sial.tec Engineering), and metallurgical testwork on ore variability across the various resource domains, testing of the proposed circuit and reagent regime and development of the modelling method to determine concentrate grade and metallurgical recovery (RFB Consulting & ALS Metallurgy Services), and PAF plant re-design to remove the long tailings pumping system (Patterson & Cooke). All of these work streams have been conducted at levels of accuracy consistent with the requirements of a feasibility study.

In addition, the independent resource consultant Jorvik Pty Limited (Jorvik) undertook a site visit during August to update geological fault and domain information in the resource model to assist with detailed mine planning.

Jorvik also inspected mineralisation in the areas to the north (Piazzole) and east (Pian Bracca) of the Colonna Zorzone Resource, accessed via the mine infrastructure rehabilitated by Energia for exploration purposes and access drives established by the previous owner of the Gorno mine, ENI, prior to ceasing operations in the early 1980's.

Current work streams include the development of a detailed mine plan and scheduling by SRK Consulting (UK) to achieve the highest practical throughput rate based on existing data. The technical study of the Underground Plant option is due for completion during the December quarter.

As the mine plan will include areas of mineralisation outside of the current JORC-compliant resource, the study cannot be considered to be a definitive feasibility study for purposes of determining a mineral reserve. The findings will therefore remain an internal study, which will be used for the purposes of making future investment decisions and for the ongoing discussions with potential offtakers.

Regional Exploration Program

During the quarter, Energia completed a low cost program of sampling, mapping and structural interpretation to investigate Gorno's regional exploration potential. Two areas were investigated during the period, Pian Bracca and Piazzole.

Underground sampling in workings was undertaken by chipping small rock chips off the face every 20cm along lines of exposed mineralisation. While these sample results cannot be used in a resource estimate[1] at the current time, they provide support for both ENI's historical and Energia's updated geological and mineralisation interpretations. Please refer to Figures 1-3 for sample locations.

A total of 43 samples was collected at Pian Bracca, which lies about 270m to the east of the current resource. The mineralised zone is interpreted to be at least 220m long and up to 60m wide. In two places it is observed to be more than 3m thick. The zone appears to trend 245^0 dipping near horizontal. This interpretation is supported by historical percussion holes, mineralisation in drives, and both recent and historical diamond drilling data.

Underground sampling results from Pian Bracca include:

- 42.9% Zn, 4.6% Pb, and 52ppm Ag
- 42.2% Zn, 6.2% Pb, and 40ppm Ag
- 40.0% Zn, 8.4% Pb, and 56ppm Ag

Significantly, the location of sample S43, which returned assays of 16.8% Zn, 3.9% Pb and 38ppm Ag, lies between the Pian Bracca zone and the existing Colonna Zorzone resource.

[1] They do not fully describe or encompass the true width of the mineralisation at the sample point, nor are they continuous samples.

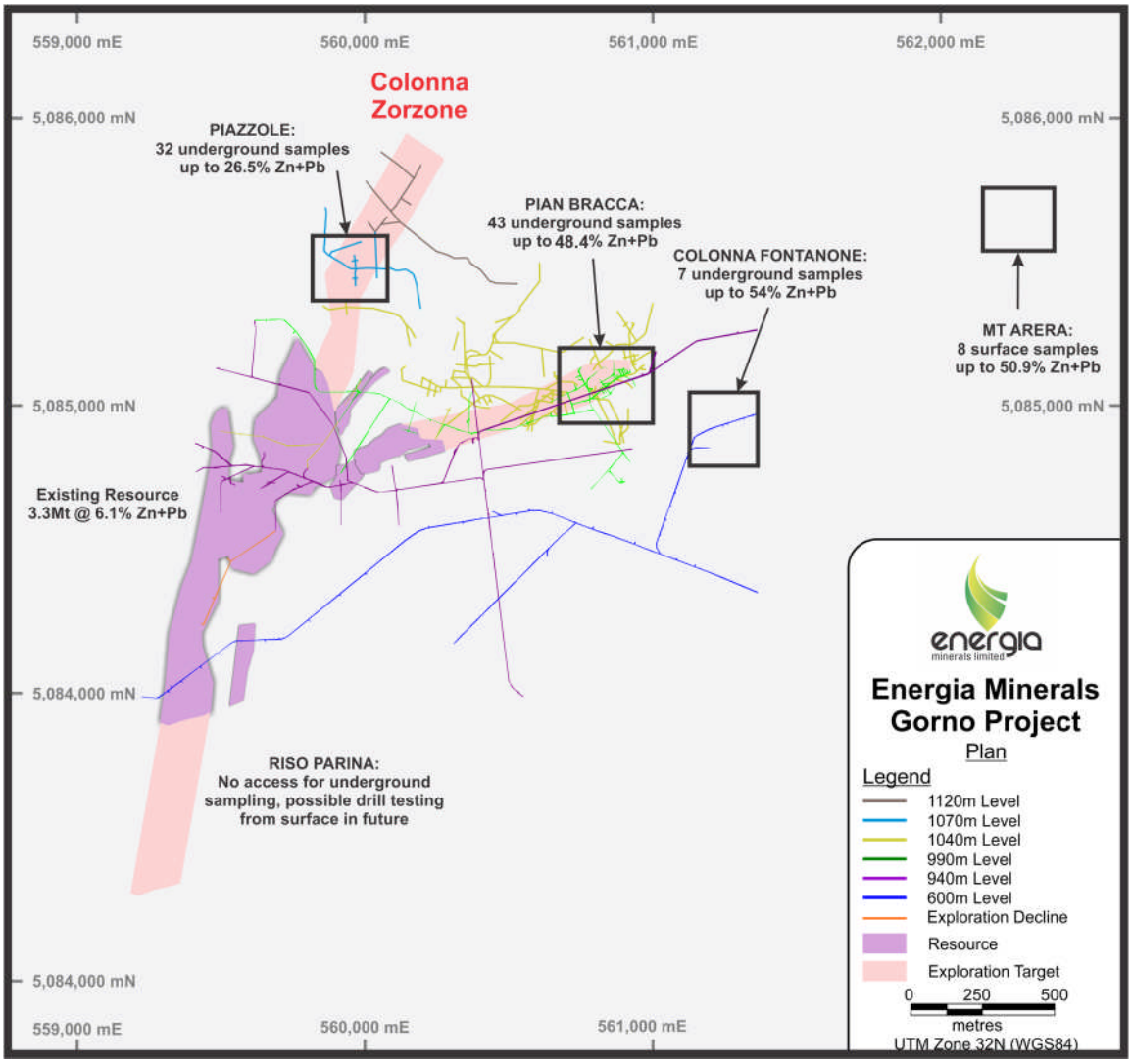

Figure 1: Gorno regional exploration program – recent sample locations

A total of 32 samples was collected at Piazzole, an area located about 300m to the north of the current resource. The mineralised zone is interpreted to be at least 170m long and up to 110m wide, with thickness ranging from 1m to 3m with an average of 2m. The original interpretation by ENI was of two discrete columns within this zone. However, examination of historical drilling and structural measurements shows that the gently folded shallow dipping mineralised horizon, which undulates above and below the drive, is potentially continuously mineralised and wider than initially believed. Underground sampling results from Piazzole include:

- 15.7% Zn, 4.3% Pb, and 47ppm Ag
- 18.6% Zn, 4.1% Pb, and 42ppm Ag
- 20.8% Zn, 5.7% Pb, and 83ppm Ag

The mineralisation appears open to the north, with the host Metallifero Formation continuing up plunge to outcrop 4km to the north of the current resource.

In light of these results, Energia's team is now focused on designing and optimising cost-effective drilling programs to be performed from existing accessible underground workings. The drilling programs will aim to validate the geological model and the mineralised zones identified by underground sampling.

Please refer to ASX announcements dated released on 26 June 2017, 24 July 2017, 12 September 2017, and 31 October 2017 for more details.

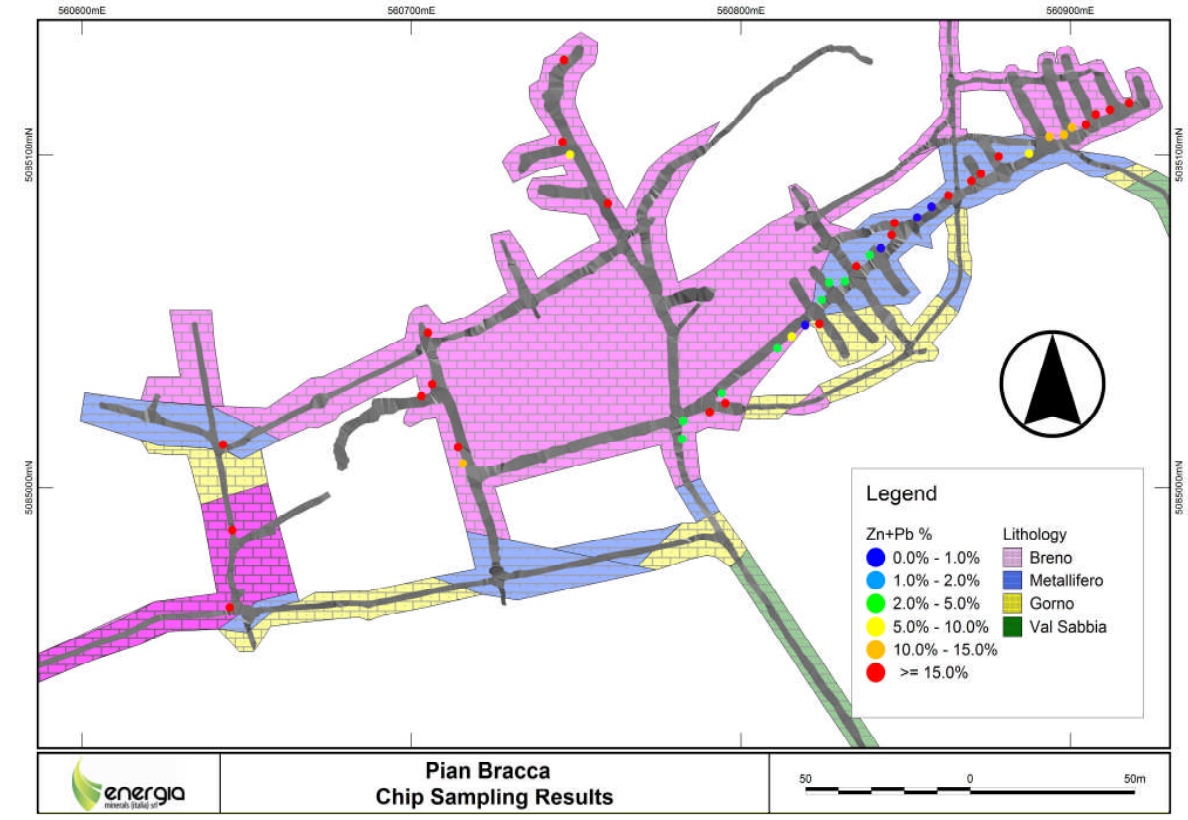

Figure 2: Pian Bracca underground sample locations and summarised results

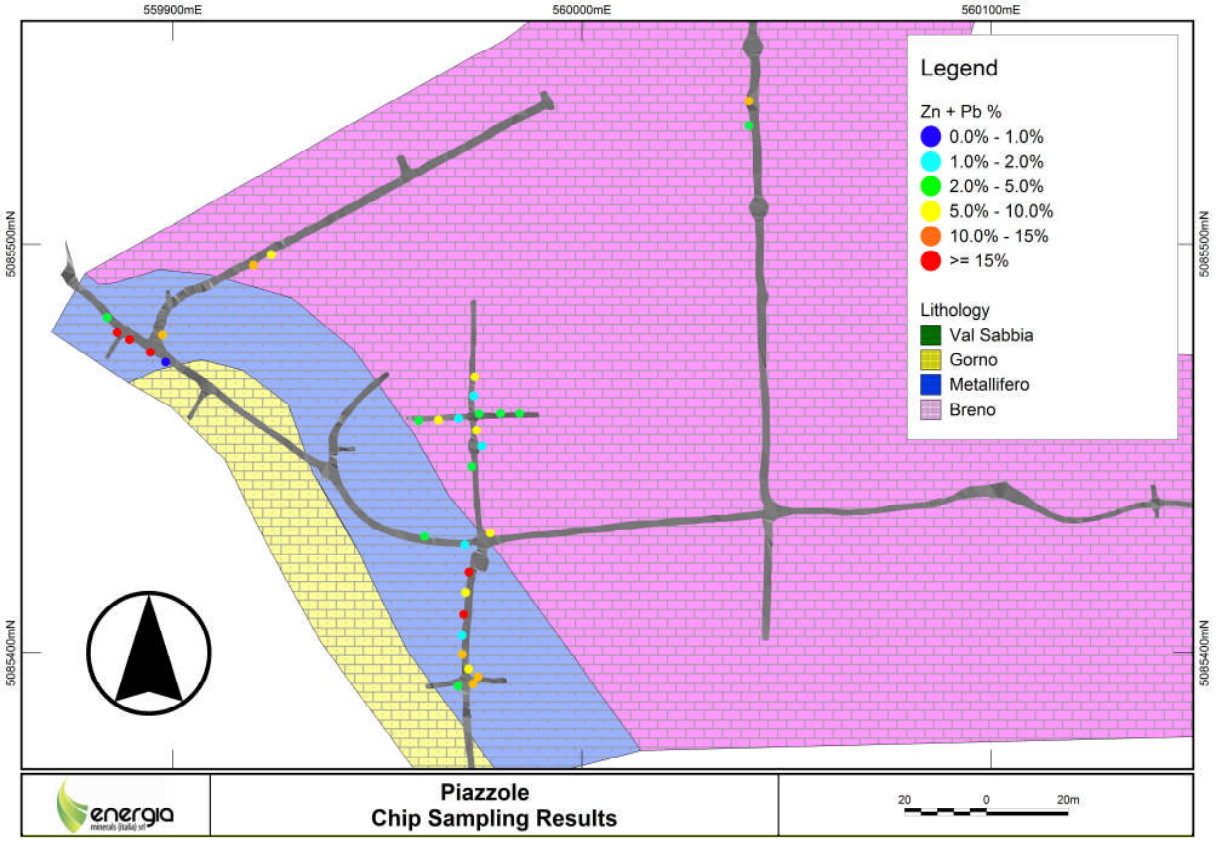

Figure 3: Piazzole underground sample locations and summarised results

Other Exploration Projects

Salafossa and Predil - Italy

Energia has been awarded an Exploration Licence (EL) covering the historic Salafossa Mine by Regione Veneto. The new EL is located in northern Italy within 7km of the Austrian border (see Figure 4) and approximately 400km from the flagship Gorno Project.

Salafossa was discovered in 1957 and was mined by Societa Mineraria e Metallurgica di Pertusola SpA from 1964 until its closure in 1986 due to depletion of reserves and resources. During the mine's life Salafossa produced 11Mt of sulphide ore grading 5.0% zinc and 1.0% lead at an average production rate of approximately 500,000 tonnes per annum.

Salafossa comprised a single sub-horizontal, Mississippi Valley Style (MVT) deposit that supported historical production from a single, mineralised body with dimensions of 750m in length, 50m-200m wide and 50m-100m thick. This facilitated mining by large scale open stoping which is typically a low cost mining method.

Potential exists for structural repeats of the mineralisation, both vertically and horizontally, as has been proven to be the case for Gorno and in similar MVT deposits.

The Exploration Application at Predil is still being processed by the Regione.

No work was carried out on these projects in the quarter.

McArthur Project - Northern Territory, Australia

No work was carried out during the period. The Project encompasses three tenements totalling 1,245km^2. One tenement (EL31045) is granted. The grant of the remaining two is pending the outcome of discussions with Traditional Owners. It is anticipated that a meeting will be held with the Northern Land Council in early 2018 to progress these discussions. The westerly dipping Barney Creek formation at Pacifico Mineral Ltd's Four Mile Prospect, which is host to lead-zinc mineralisation elsewhere in the MacArthur Basin, is interpreted to pass into Energia's ground at around 250m depth.

Paterson Project - Western Australia

The Paterson Project comprises of two granted tenements (E45/4534 and E45/4543) covering 219km^2. The two tenements cover highly prospective parts of the Broadhurst Formation, and include the Eva Well prospect.

In July 2017 a Heritage Survey was completed to clear access for camping to facilitate on-ground exploration works. Energia has engaged a geophysical contractor to complete a detailed gravity survey over these tenements in late 2018 in preparation for further field works in 2019.

Nyang ISR Uranium Project - Western Australia

Energia's tenement application encompasses a 40-50km strike length of the eastern margin of the Carnarvon Basin, including the interpreted oxidation/reduction (Redox) front within the Birdrong Sandstone. This Redox front hosts the three known ISR (In Situ Recovery) uranium deposits (Manyingee, Bennett Well and Carley Bore) within the Carnarvon Basin. The application covers most of the estimated 150km strike length of the Redox horizon between the Manyingee and Carley Bore deposits that remains largely untested.

No work was carried out on the application during the quarter.

Corporate

Extension of Executive Chairman/ Chief Executive Officer Contract

The Company is pleased to advise that Mr Alexander Burns has agreed to extend the term of his employment as Executive Chairman and Chief Executive Officer for an additional three years to 7 October 2020. The extension is on the same terms and conditions as his current contract, amended to include the provision of a fully maintained Company motor vehicle and rental accommodation for a value of up to €2,500 per month for the duration of the period that he is located in Italy from 1 July 2017.

Cash on Hand

Cash on hand as at 30 September 2017 was approximately $2.46 million.

Please refer to the attached Appendix 5B for further information.

Issued Capital

On 4 August 2017, Energia issued 313,210,982 ordinary fully paid shares at $0.01 each on completion of the rights issue to raise approximately $3.132 million (before costs). At 30 September 2017, the Company had 1,096,238,436 fully paid ordinary shares on issue and 30,750,000 unlisted options.

Tenements

Current tenement holdings, tenements disposed of and acquired during the quarter are shown in the attached Tables 4 to 6.

Alexander Burns
Executive Chairman/ Chief Executive Officer

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About Energia Minerals

Energia Minerals has a portfolio of projects in Italy and Australia covering approximately 2,177km^2 in 14 granted tenements and 12 under application. All tenements and applications are 100% owned with no third party royalties other than a 1% NSR royalty payable to Berghem Mines & Tech SRL in respect of any zinc production from the Gorno Zinc Project. In Northern Italy, Energia has granted titles over the flagship Gorno Zinc Project. Gorno was mined extensively until 1978, producing approximately 800,000 tonnes of zinc metal contained in high quality; coarse grained 55-58% zinc sulphide concentrates and zinc oxide concentrates from a recorded throughput of 6Mt grading 14.5% zinc. More than 230km of underground workings were developed across the Gorno licences.

For further information on the company please go to www.energiaminerals.com or email info@energiaminerals.com

Competent Person Statement

Information in this release that relates to Exploration Targets and Exploration Results is based on information prepared by Mr David Andreazza who is a Competent Person and Member of the Australian Institute of Geoscientists. Mr Andreazza is a full-time employee of Energia Minerals Limited. Mr Andreazza has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being 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 Andreazza consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

The information in this release that relates to Mineral Resources is based on, and fairly represents, the Mineral Resources and information and supporting documentation extracted from the report, which was prepared by Mr James Ridley as Competent Person in compliance with the JORC Code (2012 edition) and released to ASX by the Company on 3 May 2017. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. All material assumptions and technical parameters underpinning the Mineral Resource estimates in that previous release continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Table 1: May 2017 Mineral Resource grade tonnage data using a range of total zinc cut-off grades (note: totals may contain rounding errors)

May 2017 OK Estimate Reported using various Zinc cut-off grades Subdivided by JORC Code 2012 Resource Categories using ROUNDED figures								
Category	**Cut-off Grade (Zn %)**	**Tonnes (Mt)**	**Total Zinc**		**Total Lead**		**Silver**	
			Grade (%)	**Metal (Kt)**	**Grade (%)**	**Metal (Kt)**	**Grade (ppm)**	**Metal (Moz)**
Indicated	1	2.0	4.9	97	1.3	26	31	2.0
	2	1.8	5.2	95	1.4	25	32	1.9
	3	1.5	5.8	87	1.5	23	35	1.7
	4	1.2	6.4	76	1.7	20	38	1.5
Inferred	1	1.4	4.6	62	1.2	17	21	0.9
	2	1.1	5.2	59	1.4	16	22	0.8
	3	0.9	5.9	54	1.6	15	25	0.7
	4	0.7	6.8	45	1.8	12	28	0.6
Indicated + Inferred	1	3.3	4.8	160	1.3	42	27	2.9
	2	3.0	5.2	154	1.4	41	28	2.7
	3	2.4	5.8	141	1.6	38	31	2.4
	4	1.9	6.5	121	1.7	32	34	2.0

Table 2: Pian Bracca Sample location details and assay results

Sample ID	Easting (m) WGS84Z32N	Northing (m) WGSZ32N	RL (m ASL)	Sample Length (m)	Zn %	Pb %	Ag g/t
S1	560917	5085116	992	5	21.4	12.5	107
S2	560912	5085113	992	5	32.0	9.5	52
S3	560908	5085112	992	6	14.9	5.2	37
S4	560905	5085109	992	5	18.9	0.8	11
S5	560899	5085107	975	6	9.4	2.7	23
S6	560893	5085106	992	7	10.1	2.1	12
S7	560887	5085100	992	6	5.1	2.4	10
S8	560878	5085100	992	5	31.8	4.2	16
S9	560873	5085094	992	5	26.5	2.5	27
S10	560870	5085092	992	5	28.8	7.6	40
S11	560863	5085088	992	5	24.5	2.0	10
S12	560858	5085085	992	5	0.3	0.1	1
S13	560853	5085082	992	5	0.5	0.2	1
S14	560847	5085079	992	5	16.1	5.8	30
S15	560846	5085076	992	5	17.8	3.0	17
S16	560842	5085072	992	5	0.2	0.0	<1
S17	560839	5085070	992	5	1.9	1.0	5
S18	560835	5085066	992	5	16.0	4.6	24
S19	560832	5085063	992	5	3.5	0.3	4
S20	560827	5085062	992	5	2.9	1.0	6
S21	560824	5085057	992	5	2.6	0.6	6
S22	560824	5085049	992	5	42.9	4.6	52
S23	560819	5085049	992	5	0.7	0.1	1
S24	560815	5085046	992	5	5.8	1.9	19
S25	560811	5085042	992	5	3.5	1.0	7
S26	560794	5085028	992	5	2.4	0.6	5
S27	560795	5085026	992	5	12.1	3.5	21
S28	560791	5085023	992	5	12.7	6.1	47
S29	560782	5085020	992	5	3.4	0.7	7
S30	560782	5085015	992	7	1.9	0.4	5
S31	560760	5085086	992	5	29.9	13.6	124
S32	560748	5085100	992	5	4.2	3.1	21
S33	560746	5085104	992	5	16.5	1.9	12
S34	560746	5085129	992	5	40.0	8.4	56
S35	560716	5085007	992	5	8.2	1.9	16
S36	560714	5085012	992	5	10.2	5.7	30
S37	560703	5085027	992	6	25.0	5.4	50
S38	560706	5085031	992	6	35.9	9.1	87
S39	**560705**	**5085047**	**992**	**3**	**42.2**	**6.2**	**40**
S40	**560643**	**5085013**	**992**	**4**	**16.4**	**3.4**	**45**
S41	560646	5084987	992	5	10.3	9.3	68
S42	560645	5084964	992	6	16.7	14.7	109
S43	560372	5084898	992	6	16.8	3.9	38

Note: Vertical Samples highlighted in bold

Table 3: Piazzole Sample location details and assay results

Sample ID	Easting (m) WGS84Z32N	Northing (m) WGSZ32N	RL (m ASL)	Sample Length (m)	Zn %	Pb %	Ag g/t
CS1	559884	5085481	1070	5	2.9	0.8	9
CS2	559888	5085477	1070	5	18.6	4.1	42
CS3	559894	5085474	1070	4	15.7	4.3	47
CS4	559898	5085471	1070	5	0.7	0.2	4
CS5	559897	5085478	1070	6	10.7	1.8	13
CS6	559919	5085495	1070	5	12.3	3.4	94
CS7	559924	5085497	1070	5	8.6	1.7	64
CS8	559940	5085441	1070	4	8.7	2.1	27
CS9	559962	5085429	1070	6	3.3	1.1	16
CS10	559972	5085426	1070	5	1.1	0.5	11
CS11	559972	5085420	1070	5	20.8	5.7	83
CS12	559972	5085415	1070	5	8.7	2.8	42
CS13	559971	5085410	1070	6	15.5	3.8	55
CS14	559971	5085404	1070	5	1.7	0.5	8
CS15	559971	5085399	1070	5	11.6	2.3	40
CS16	559972	5085396	1070	4	8.6	2.8	45
CS17	559974	5085393	1070	4	12.0	2.9	47
CS18	559970	5085392	1070	5	4.7	0.9	11
CS19	559977	5085429	1070	6	6.9	2.1	38
CS20	559973	5085446	1070	5	3.1	1.2	8
CS21	559975	5085451	1070	5	1.3	0.5	3
CS22	559974	5085455	1070	5	5.3	2.2	10
CS23	559970	5085457	1070	5	1.6	0.7	3
CS24	559965	5085457	1070	5	5.7	2.0	19
CS25	559960	5085457	1070	4	3.0	1.6	26
CS26	559974	5085463	1070	4	1.7	1.0	6
CS27	559974	5085467	1070	5	9.7	2.1	19
CS28	559975	5085459	1070	5	3.3	1.4	9
CS29	559980	5085459	1070	5	2.5	0.5	4
CS30	559985	5085459	1070	5	4.4	1.6	12
CS31	560041	5085535	1070	5	2.8	1.0	6
CS32	560041	5085528	1070	6	11.3	3.5	19

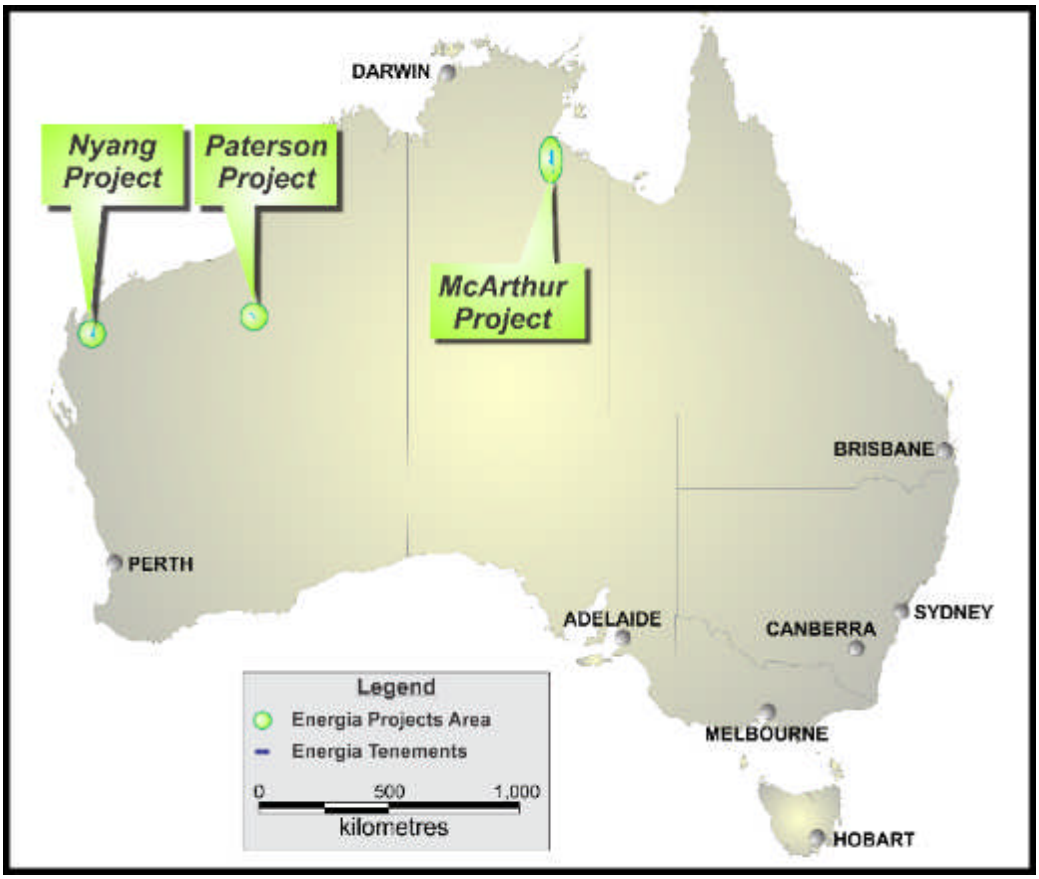

Figure 4: Energia Minerals Australian and Italian Project Locations

Table 4: Schedule of Mining Tenements Held

Project	Tenement	Entity's Interest	Comments
Western Australia			
Moses Chair	E45/4534	100%	Granted
Broadhurst Range	E45/4543	100%	Granted
Nyang	E08/2923	100%	Application
Northern Territory			
McArthur	EL 25272	100%	Application
McArthur	EL31045	100%	Granted
McArthur	EL31046	100%	Application
Italy			
Novazza	N/A	100%	Application
Val Vedello	N/A	100%	Application
Gorno – Monica Concession	Decree 845	100%	Granted
Gorno – Gorno NE	Decree 3910	100%	Granted
Gorno – Gorno NW	Decree 3917	100%	Granted
Gorno – Monte Golla	Decree 3921	100%	Granted
Gorno – Zambla	Decree 3920	100%	Granted
Gorno – Vedra	Decree 5846	100%	Granted
Gorno – Zambla West	Decree 2869	100%	Granted
Gorno – Riso	Decree 3365	100%	Granted
Gorno – Vedra Nord	Decree 2872	100%	Granted
Gorno – Parina Nord	Decree 3366	100%	Granted
Gorno – Parina	Decree 1995	100%	Granted
Gorno – Pano Orso	N/A	100%	Application
Gorno – Oltre Il Colle	N/A	100%	Application
Gorno – Zambla South	N/A	100%	Application
Gorno – Riso West	N/A	100%	Application
Gorno – Brembo	N/A	100%	Application
Gorno – Serio	N/A	100%	Application
Predil	N/A	100%	Application
Salafossa	Decree 1481	100%	Granted

Table 5: Schedule of Mining Tenements Reduced

Area of Interest	Tenement	Entity's Interest	Comments
Nil			

Table 6: Schedule of Mining Tenements Increased

Area of Interest	Tenement	Entity's Interest	Comments
Nil			

+Rule 5.5

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

ENERGIA MINERALS LIMITED

ABN	**Quarter ended ("current quarter")**
63 078 510 988	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	5	5
1.2	Payments for		
	(a) exploration & evaluation	(804)	(804)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs*	(359)	(359)
	(e) administration and corporate costs	(134)	(134)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,289)**	**(1,289)**

* Staff costs include the final payment of remuneration due to the former Managing Director, Mr Kim Robinson ($100k) and costs associated with the redundancy of Perth based staff ($54k).

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(2)	(2)
	(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	59	59
	(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**	**57**	**57**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	3,132	3,132
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	(57)	(57)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(27)	(27)
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**	**3,048**	**3,048**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	648	648
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,289)	(1,289)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	57	57
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,048	3,048
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	**Cash and cash equivalents at end of period**	**2,460**	**2,460**

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	425	648
5.2	Call deposits	2,035	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,460**	**648**

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	166
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

6.1 Being the remuneration of the Finance Director and the final payment of remuneration due to the former Managing Director, Mr Kim Robinson ($100k). During the quarter, Mr Burns, Executive Chairman and CEO together with Mr Cardaci, Non-Executive Director, continued to defer the payment of their remuneration.

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
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

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**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) – Bank Guarantee	45	45

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.

The facility is associated with an unconditional bank guarantee provided by the National Australia Bank. The guarantee is provided by way of a fully utilised finance facility secured by a fixed term cash deposit. No interest is currently paid on the facility.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	900
9.2	Development	-
9.3	Production	-
9.4	Staff costs	150
9.5	Administration and corporate costs	250
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**1,300**

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	-	-	-	-
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.

Sign here: ..... Date: 31 October 2017
(~~Director/~~Company secretary)

Print name: Jamie Armes

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.