



Quarterly Report – 31st December 2017

Two Peruvian Agreements finalised with South32 – up to 8,000m of diamond drilling planned; Drilling contract awarded for Chololo – Permitting underway; US\$500,000 Bonus Generation Fee triggered; New projects generated for presentation to South32.

HIGHLIGHTS

Peru – Copper-Gold

- ❑ Drill permitting underway over two large copper-(gold) prospects in Peru following agreement with South32 under the Strategic Alliance Agreement (SAA) to drill test the Cerro de Fierro IOCG target (~3,000m diamond drilling).
- ❑ Permits for diamond drilling (~5,000m) at the Chololo Copper Project progressing with approval for surface access now pending.
- ❑ Drilling contractor selected for the Chololo programme. Quotes for the Cerro de Fierro drilling await site inspections.
- ❑ Induced Polarisation (IP) surveys over potential buried porphyry copper mineralisation at the Los Otros Project commenced in January to identify targets for drilling.

Australia – Nickel, Copper, Zinc

- ❑ Assay results from widely spaced drill-holes (4 holes/2,568m) at the Blue Billy Zinc Joint Venture Project consistent with results from major mineralised basins in northern Australia.
- ❑ Strong alteration in drill-holes BBDD03 and BBDD04 (10km apart) implies proximity to possible zinc mineralisation within pyritic black shales.
- ❑ Bedrock conductors at both the Jimberlana and Balladonia Nickel Projects highlighted for further consideration by the Strategic Alliance.
- ❑ Three new base metal opportunities (two in WA, one in Queensland) secured under title applications.

Corporate

- ❑ Agreements signed with South32 to advance the Chololo and Cerro de Fierro Projects in southern Peru, triggered a bonus payment of US\$500,000 to AusQuest.
- ❑ In January 2018, the Company's cash position was approximately A\$1.6M following receipt from South32 of the bonus payment (US\$500,000), reconciled funds for each joint venture (US\$94,000) and funds for ongoing work at the Los Otros Project (US\$220,000).

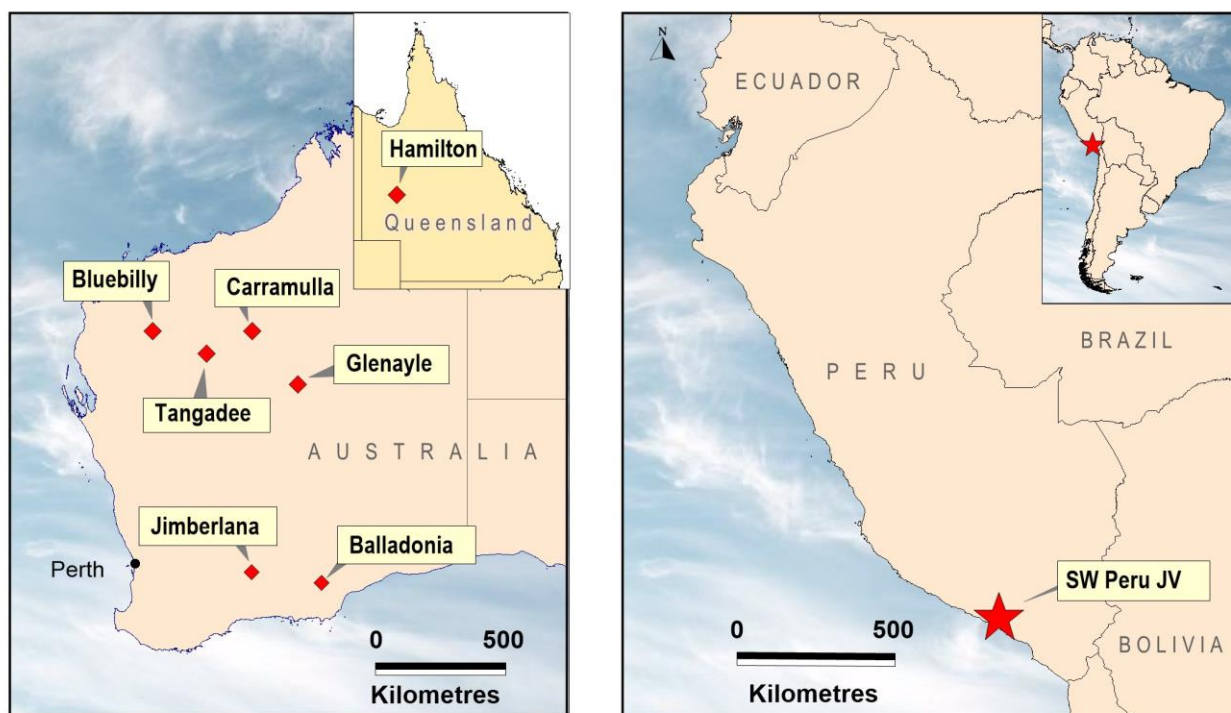


Figure 1: Project Locations – Australia and Peru

OVERVIEW

During the Quarter, several projects were advanced under the Company's SAA with diversified global miner South32 (ASX, LSE, JSE: S32; ADR: SOUHY), with a third project reaching the 'drill-ready' stage – triggering a bonus payment (US\$500,000) to AusQuest.

In **Peru**, the Cerro de Fierro Copper Project became the second project in Peru that will be drill tested by the Alliance. The main focus for the Quarter was on advancing the drill permitting process for both the Chololo and Cerro de Fierro projects so that drilling can commence as soon as possible. Elsewhere, mapping and sampling continued in order to identify further projects for the Alliance, with IP surveys commencing at Los Otros to identify targets for drilling.

In **Australia**, in-fill EM surveys were completed at the Jimberlana and Balladonia Nickel Projects, with bedrock conductors outlined for further investigation in both areas. At the Blue Billy Zinc Joint Venture Project, results from the inaugural drilling

programme confirmed the zinc prospectivity of the region and structural interpretation of available data commenced to outline prospective target areas close to the anomalous drill-holes.

Project generation activities continued in Australia and Peru with several new base metal opportunities identified and secured under tenement application.

PERU COPPER-GOLD PROJECTS

Over the past six years, AusQuest has assembled a large portfolio of copper-gold prospects along the southern coastal belt of Peru in South America, with targets identified for drilling as possible porphyry copper targets and/or iron-oxide copper-gold (IOCG) targets with the size potential being of significance to AusQuest (Figure 2). Peru is one of the world's most prominent destinations for international copper exploration and is considered to be a prime location for world-class exploration opportunities.

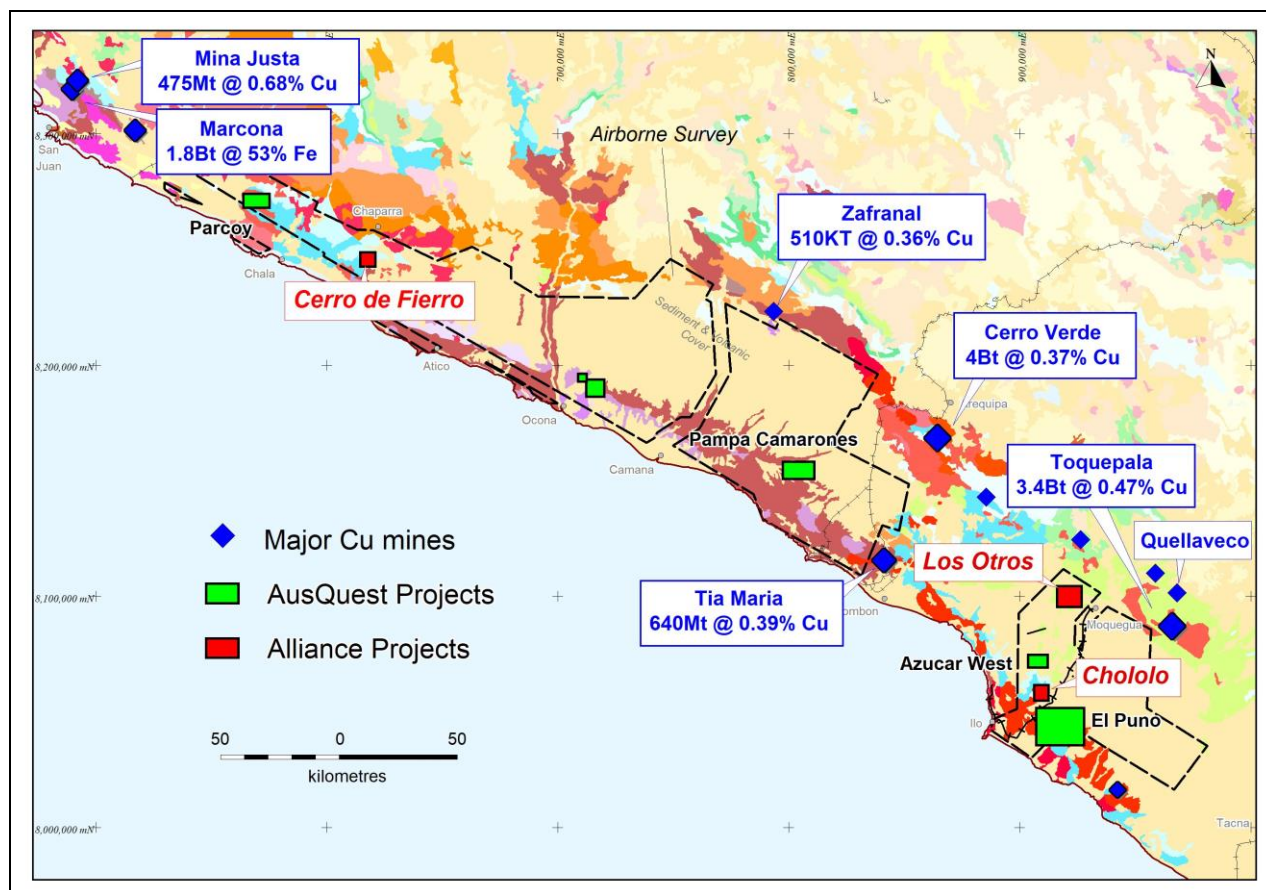


Figure 2: Peru Project Locations

Strategic Alliance Projects (funded by South32)

During the Quarter, drill permitting for the **Chololo Project** progressed with environmental and community approvals obtained and reports provided to the Ministry of Mines for assessment.

An agreement to drill test the Chololo Project was finalised with South32. Under the agreement, South32 can earn a 70% interest in the project by spending a total of US\$4.0 million. AusQuest, through its Peruvian subsidiary, will be the first operator of the joint venture.

A program of up to 5,000m of diamond drilling is planned as an initial test of the large potential porphyry copper target identified at Chololo by mapping, sampling and IP surveys. Drilling will primarily test a

strong IP chargeability anomaly thought to reflect a large-scale pyrite (+/- chalcopyrite) halo associated with a buried porphyry copper system (Figure 3).

The drill permitting process is expected to be completed around the end of Q1 2018, with final approvals and access preparations to commence in Q2 2018. A drilling contract has been awarded to SFP Drilling, with two drill-rigs scheduled to be on site at the start of the programme.

During the Quarter, a second copper project in Peru (**Cerro de Fierro**) was accepted by South32 as being 'drill-ready' and a second agreement was finalised. As with Chololo, under the agreement, South32 can earn a 70% interest in the project by spending a total of US\$4.0 million. AusQuest through its Peruvian subsidiary, will again be the first operator of this joint venture.

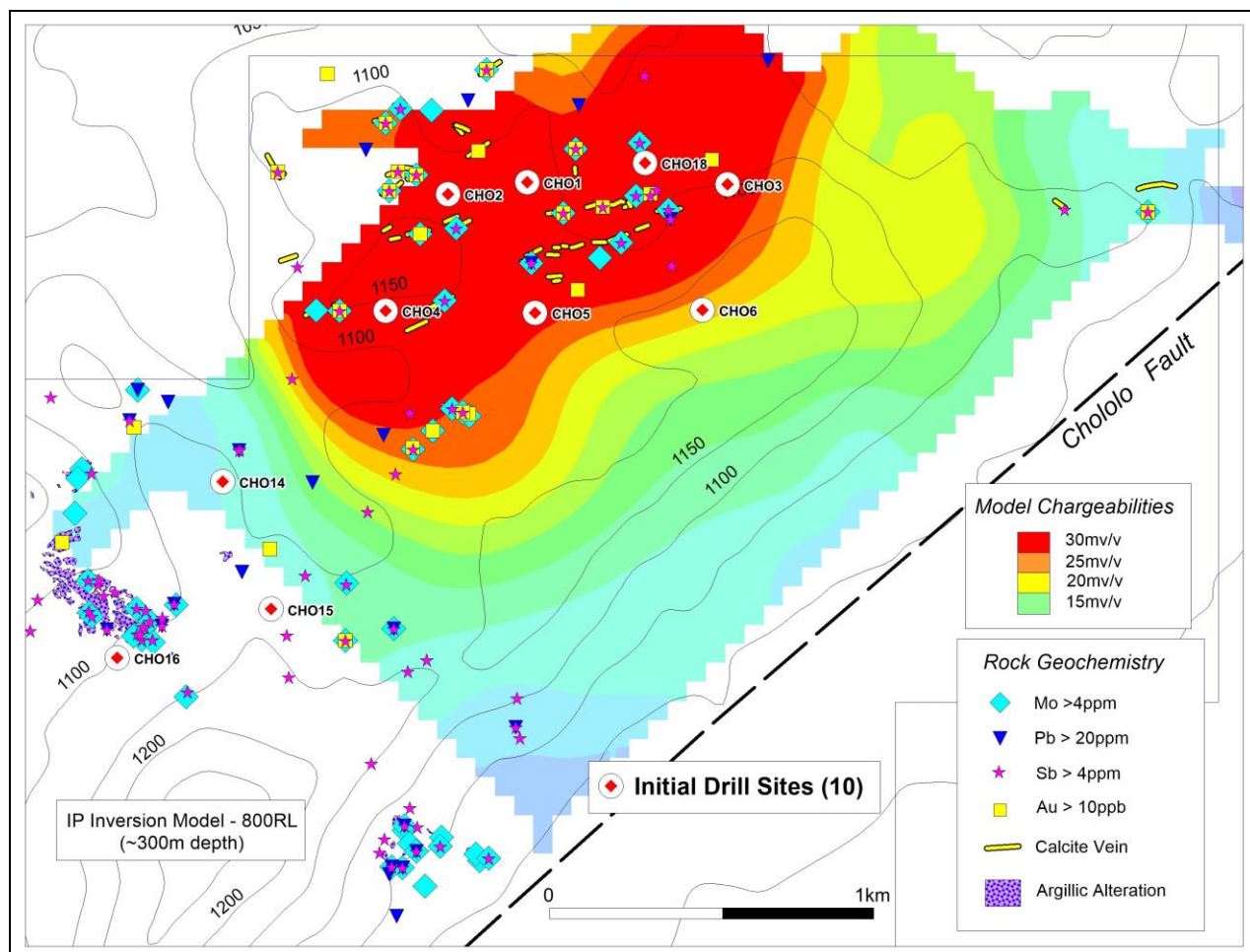


Figure 3: Chololo Project showing location of initial drill-holes

Diamond drilling (up to 3,000m) is planned to test the Cerro de Fierro Iron-Oxide Copper-Gold (IOCG) target, with drilling primarily focused on a strong IP chargeability anomaly associated with the large discrete magnetic response that was originally identified from the Company's proprietary airborne survey data (Figure 4).

Geological mapping and sampling located extensive copper mineralisation proximal to the magnetic target, returning numerous copper values in excess of 1,000ppm Cu with many samples returning values in excess of 1% Cu.

The Cerro de Fierro Project is located at the southern end of a recognised IOCG metallogenic belt in the south of Peru, within ~150km of the Mina Justa (~475Mt @ 0.68% Cu) and Pampa de Pongo (945Mt @ 44.7% Fe, 0.12% Cu, 0.09g/t Au) deposits.

Drill permitting for Cerro de Fierro commenced late in the Quarter, with

environmental survey work now complete and community consultations scheduled for early February. It is anticipated that final drilling approvals will be obtained approximately two months after approvals for the Chololo programme, so that testing of this prospect can follow the drilling programme at Chololo.

At the **Los Otros Project**, induced polarisation (IP) surveys commenced late in January to test target areas identified by the Company's mapping and sampling programme as being prospective for buried porphyry copper mineralisation.

Large areas of intermediate to advanced argillic alteration (lithocap) have been located with numerous samples returning anomalous levels of Mo, Bi, As, Sb, Pb, Au, Ag and occasional Cu, suggesting the potential for buried porphyry copper mineralisation.

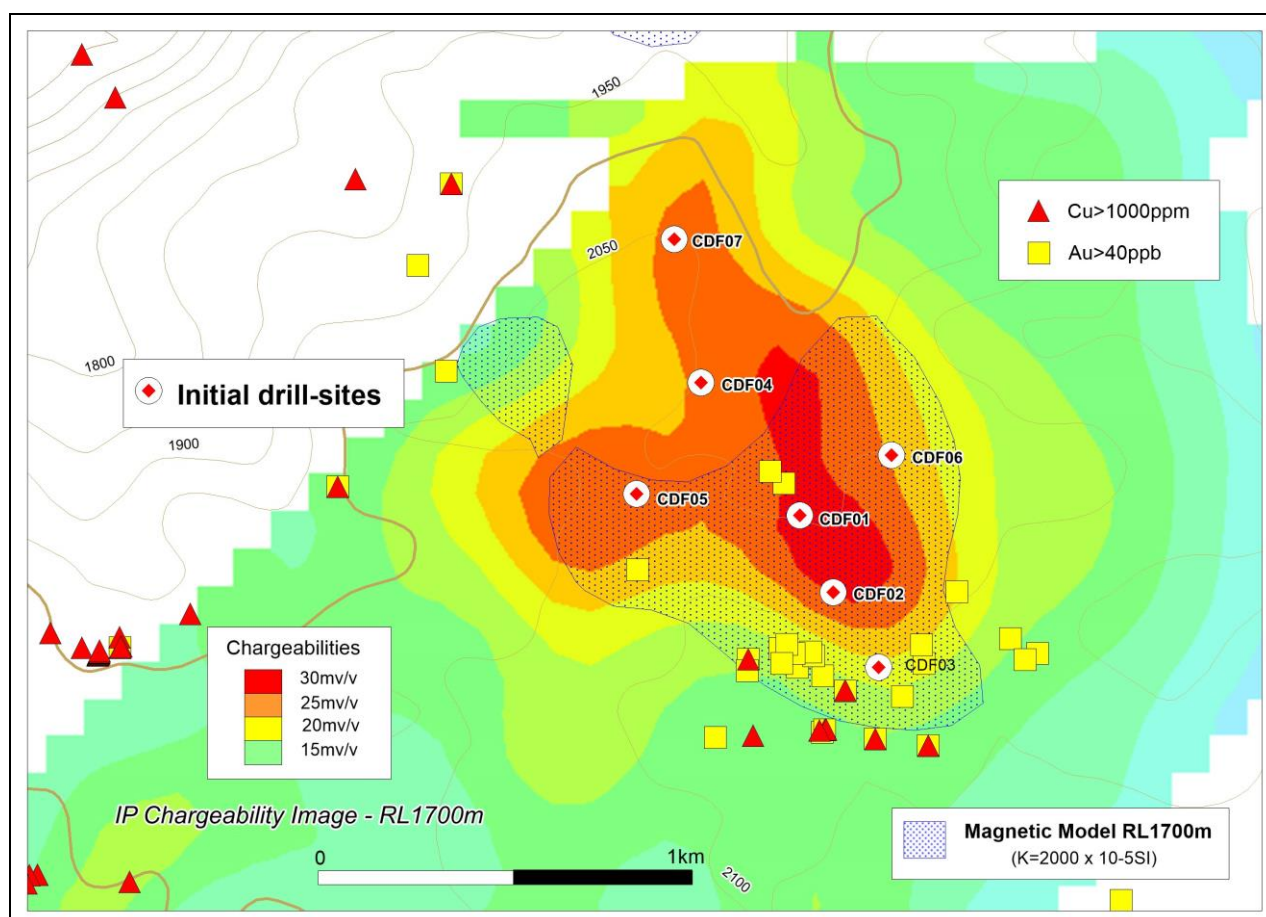


Figure 4: Cerro de Fierro Project showing location of initial drill-holes

The IP survey is reconnaissance in nature as the area being tested is at least 15km² in size. Pole-dipole traverses are planned at intervals of approximately 1km with survey parameters ($a=200\text{m}$, $n=1$ to 6) designed to test to depths of approximately 500m below ground level. The survey is expected to be completed by the end of February 2018.

The Company is pleased with the strong progress being achieved at all of the prospects in Peru under the Strategic Alliance, and looks forward to the commencement of drilling operations in the coming months.

New Opportunities Peru – Strategic Alliance (South32)

During the Quarter, compilation and interpretation of data over a number of prospects in southern Peru continued with the aim of presenting projects to South32 for consideration under the SAA as potential new opportunities.

At the **Azucar West Project**, mapping and sampling commenced with a total of 187 samples collected to date. The Azucar West Project, which is located ~13km north of Cholulu, was originally selected as a potential porphyry copper target based on interpretation of the Company's airborne survey data.

Mapping to date has located several areas of phyllic alteration that contain anomalous molybdenum (Mo), arsenic (As) and bismuth (Bi) values within the volcanic cover sequence suggesting potential for buried porphyry mineralisation. Compilation of results will be undertaken once mapping and sampling is complete, and before the project is presented to South32 under the Strategic Alliance Agreement for consideration as a potential new opportunity.

Compilation of data at the El Puno and Pampa Camarones prospects also commenced to confirm their prospectivity ahead of presentation to South32 as potential new opportunities under the SAA.

New tenement applications (5) were submitted over an area north-west of the Cerro de Fierro Joint Venture Project (Parcoy) where the Company's proprietary airborne survey data highlighted a number of similarities with the Cerro de Fierro copper prospect. This project is located immediately north of the Los Chapitos prospect currently being drilled by Camino Resources, who have reported intersections of 168m @ 0.72%Cu, 96.5m @ 0.93%Cu from early drilling. Mapping and sampling of this property is planned for the first half 2018.

AUSTRALIA – BASE METAL PROJECTS (Nickel, Copper, Zinc)

Blue Billy Zinc Project (100% AQD – BBJVA; South32 earning to 70%)

The Blue Billy Zinc Project is located ~100km south-west of Paraburdoo within the Edmund Basin in Western Australia. The tenement covers the down-dip extent of anomalous zinc values (up to 0.5% Zn) found within a pyritic black mudstone similar to host rocks known to contain sedimentary zinc deposits in the Mt Isa-McArthur River District of north-west Queensland. A study of historical exploration data suggests the potential for SEDEX-style zinc mineralisation close to a regional-scale (growth?) fault system down-dip from the anomalous surface zinc occurrences. All exploration work is being funded by South32 under the Blue Billy Joint Venture (BBJVA).

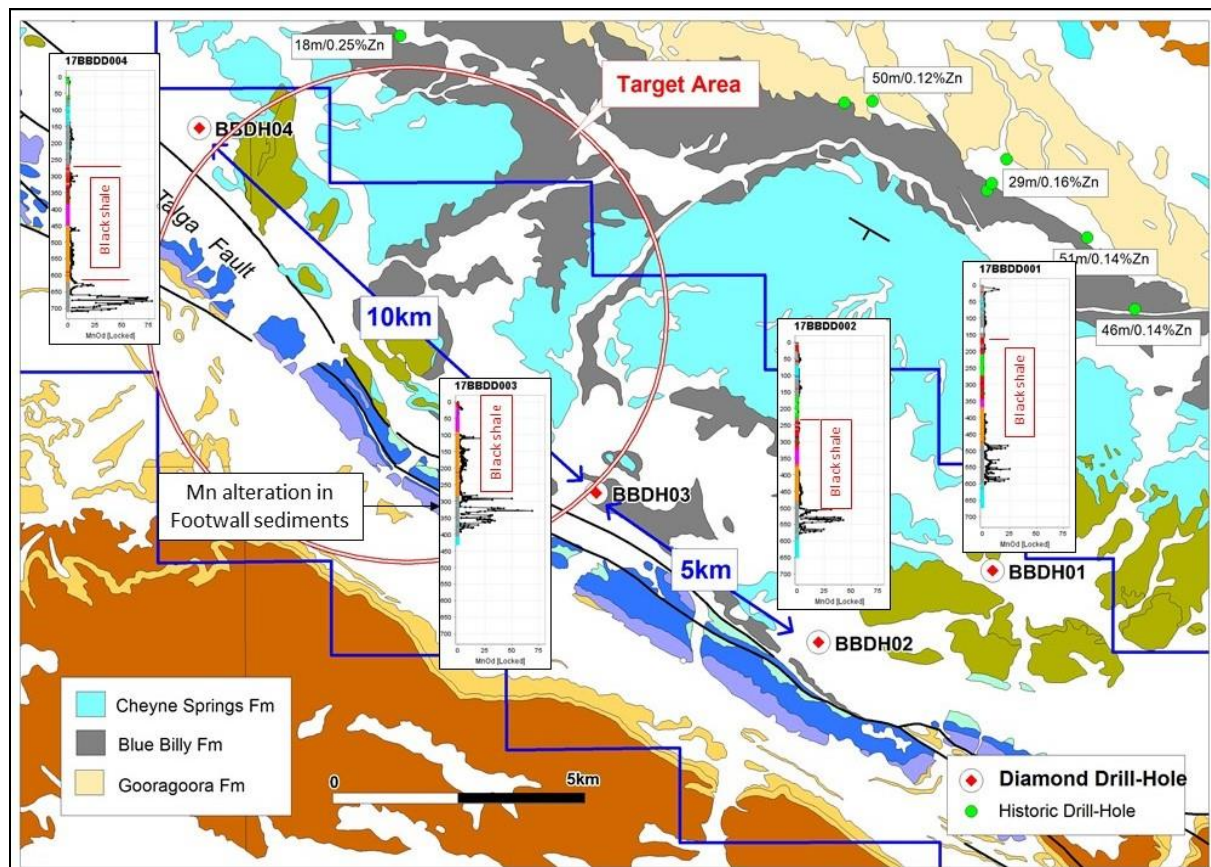


Figure 5: Blue Billy Joint Venture geology showing alteration and wide spaced drill-holes

During the Quarter, assay results received from the widely-spaced reconnaissance drill-holes supported the zinc potential of the prospect, with all holes showing geological and geochemical characteristics consistent with other major mineralised basins found in northern Australia.

A zone of elevated indicator elements (Zn, Cu, Ag and Cd) with values in excess of ten times normal shale backgrounds provided strong evidence for mineralising processes being active within this portion of the Edmund Basin.

Drilling intersected thick but variable intervals (>200m) of pyritic and

carbonaceous black shales (the preferred host rock for sediment-hosted zinc mineralisation) in each drill-hole with footwall carbonate and/or clastic sediments in the footwall sequence.

Alteration within drill-holes BBDD03 and BBDD04 was strongest, suggesting closer proximity to potential zinc mineralisation. This included stronger manganese alteration within the footwall sediments and stronger mineralisation (15 metres @ 0.26% Zn, 350ppm Cu and 3g/t Ag in BBDD04) within the black shales (*Figure 5*).

Drill holes BBDD03 and BBDD04 were located approximately 10km apart, close to the inferred trace of the Talga Fault system. Detailed VTEM data subsequently acquired over the prospect has highlighted an area of structural complexity between these two drill-holes.

The VTEM data is being processed and conductivity cross-sections produced. Structural contours to the top of the conductive black shale horizon are being produced to map out fold patterns and identify potential structural trap sites for buried zinc mineralisation before the next phase of drilling is considered by the Alliance.

Jimberlana Nickel-Copper Project (100% AQD subject to SAA)

The Jimberlana Project, which is located ~120km west of Norseman between the Lake Johnston and Forrestania Greenstone Belts, consists of one Exploration Licence (130km²) covering the western extension (~20km strike) of the Jimberlana Dyke. Recent research has found a strong association between intrusive-related nickel sulphide deposits and the base of dyke-like structures. Jimberlana is a very large, fertile, fractionated dyke known to contain nickel sulphides within its contact zones, but has never been tested (drilled) at or close to its basal section. Exploration work at Jimberlana is being funded by South32.

During the Quarter, detailed fixed-loop electromagnetic (FLTEM) surveys were completed over three targets identified by reconnaissance EM surveys within the eastern section of the Jimberlana intrusion, where depths to the base of the dyke were interpreted to be in excess of 500m.

No significant bedrock responses were located by this phase of work, possibly due to excessive target depths within this portion of the prospect.

Further work, including drilling, will now be considered by the Alliance in order to test the high-conductivity EM target (+3,000 siemens) located in the western half of the area where the basal contact of the Jimberlana intrusion is expected to be at shallower depths (see ASX release 22 June 2017). This bedrock EM target is located at a depth of ~250m below surface and is associated with cross-cutting structures within the dyke complex.

Assessment of limited historical RC and RAB drilling data over the tenements commenced during the Quarter to assess the cobalt potential of laterites within the title. Several holes with cobalt grades in excess of 0.1% Co were recorded, suggesting that further evaluation was justified.

Balladonia Nickel-Copper Project (100% AQD subject to SAA)

The Balladonia Project is located ~50km south of the Nova-Bollinger nickel-copper deposit. It consists of four Exploration Licences covering an area of ~940km², within a structurally complex region of the Fraser Range Terrain centred above the southern margin of a deep regional gravity anomaly (~30 milligals) which is thought to reflect buried mafic/ultramafic rocks similar to those that may be related to the formation of the Nova deposit. Most of the tenements lie within the Dundas Nature Reserve. Exploration work at Balladonia is being funded by South32.

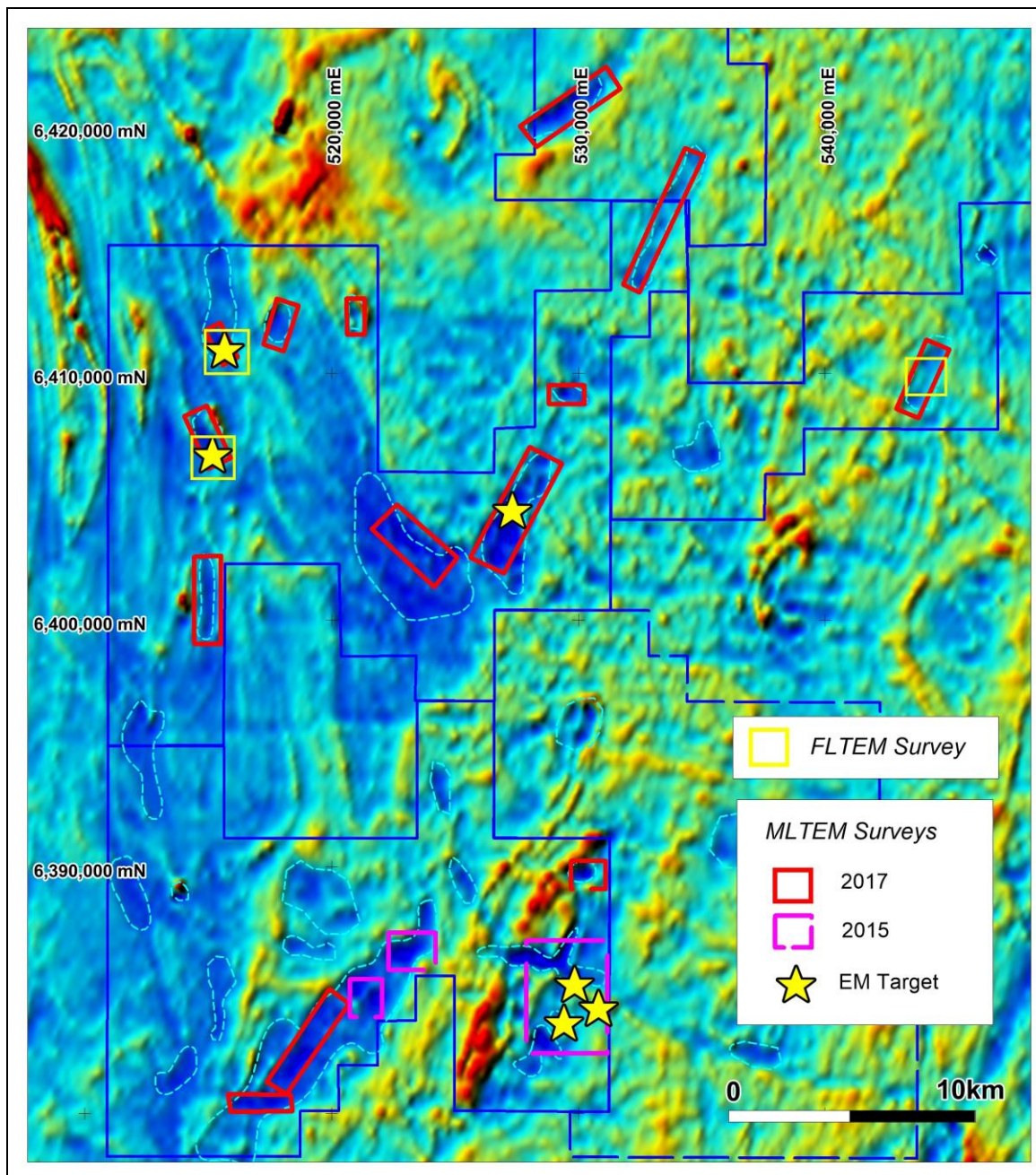


Figure 6: Balladonia EM Surveys showing bedrock targets

Reconnaissance moving-loop electromagnetic surveys (MLTEM) over 12 interpreted mafic intrusions and fixed-loop (800m x 400m) surveys (FLTEM) over selected targets were completed during the Quarter, to test for nickel-copper mineralisation similar to that found at Nova-Bollinger. The targeted intrusions are relatively strike extensive and are associated with inferred regional structures that cross-cut the area.

A total of six discrete bedrock targets of weak-to-moderate conductivity have now been identified – three from the current EM programme (2017) and three from previous

EM work completed by the Company in 2015 (Figure 6).

Numerous other interpreted mafic intrusions remain to be tested. The next stage of evaluation for these targets will be considered by the Alliance over the coming weeks.

Glenayle Nickel-Copper Project (100% AQD)

The Glenayle Nickel-Copper Project is located ~350km north-east of Wiluna along the northern margin of the Yilgarn Craton in Western Australia. Tenements cover the basal section of large mafic sill complex

where available magnetic and geochemical data suggest there may be ultramafic rocks under the extensive cover that could be prospective for nickel-copper sulphide deposits.

Tenements over this prospect were rationalised during the Quarter in order to retain the most promising target(s). EM surveys to test for possible massive nickel and copper sulphides have been planned but are still under consideration.

New Opportunities Australia – Strategic Alliance (South32)

During the Quarter, the Company's consultants identified several new opportunities for presentation to South32 under the Strategic Alliance Agreement. New tenement applications were submitted in three areas – two in Western Australia and one in Queensland.

The **Tangadee Project** is located in the Edmund Basin of WA and is targeting sediment-hosted zinc mineralisation similar to deposits found in north-west Queensland. This opportunity was recognised following encouraging results from the initial reconnaissance drilling programme at the Company's Blue Billy Zinc Project. A work program is being planned to advance this prospect to the drilling stage.

The **Carramulla Project** is located immediately to the east of the Coobina chromite mine and is targeting nickel sulphide mineralisation within interpreted ultramafic intrusions that occur stratigraphically below a large mafic sill complex. A program of ground and/or airborne EM is being planned to provide rapid assessment of this prospect.

The **Hamilton Project** is located in north-west Queensland, ~120km south of the world-class Cannington mine, and is targeting Iron-Oxide Copper-Gold (IOCG) mineralisation beneath cover of variable thickness (150m to 300m). Limited historical drilling provided evidence for a "near-miss"

situation which will be the focus of initial exploration programs.

Heritage Agreements have been finalised for each project and the grant of tenements is expected to commence over the coming months.

BUSINESS DEVELOPMENT

As part of the Strategic Alliance with South32, the Company has increased its project generation work both within Australia and offshore, to provide new base metal (copper, zinc and nickel) opportunities and possible drill-ready targets for the Alliance.

CORPORATE

During the Quarter, AusQuest signed two Agreements with its Strategic Alliance partner, South32 (ASX: S32), to undertake drilling programmes at the Chololo and Cerro de Fierro Copper Projects in southern Peru.

Under the terms of the Strategic Alliance Agreement (SAA), the two Agreements triggered the payment to AusQuest of a Bonus Generation Fee (US\$500,000), to be used by the Company for ongoing project generation work.

Under the Agreements, South32 can spend US\$4.0 million on each project to earn a 70% interest with the right to earn a further 10% interest by completing Pre-Feasibility Studies. Drill permitting at Chololo and at Cerro de Fierro is now in progress.

In January 2018, the Company's cash position was approximately A\$1.6 million following receipt from South32 of the bonus payment (US\$500,000), reconciled funds for each project (US\$94,000) and funds for ongoing work at the Los Otros Project (US\$220,000).

A portion (\$432,841) of the \$750,000 Loan and Convertible Note Agreement with Mr Christopher Ellis, a Director and substantial shareholder of the Company, was converted to shares in the Company following approval

by shareholders at the Company's Annual General Meeting held on 20 November 2017. Details of this transaction were provided to the ASX on 23 November 2017.

KEY ACTIVITIES – MARCH 2018 QUARTER

The following activities are planned for the March 2018 Quarter:

- Blue Billy JV (Zn) – Compilation and interpretation of data to refine target areas for drilling;
- Jimberlana (Ni-Cu) – Data compilation to confirm targets and initiate program;
- Balladonia (Ni-Cu) – Data compilation to confirm targets and initiate program;
- Peru (Cu-Au) – Progress drill permits Chololo (5000m) & Cerro de Fierro (3000m);

- Peru (Cu-Au) – Complete mapping / sampling at Azucar West to define target(s);
- Peru (Cu-Au) – Complete IP survey at the Los Otros Copper Project to define drill targets;
- Australia (Base metals) – Advance new opportunities under the SAA; and
- Peru (Base metals) – Advance new opportunities under the SAA.



Graeme Drew
Managing Director

COMPETENT PERSON'S STATEMENT

The details contained in this report that pertain to exploration results are based upon information compiled by Mr Graeme Drew, a full-time employee of AusQuest Limited. Mr Drew is a Fellow of the Australasian Institute of Mining and Metallurgy (AUSIMM) and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Drew consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

FORWARD LOOKING STATEMENT

This report contains forward looking statements concerning the projects owned by AusQuest Limited. Statements concerning mining reserves and resources may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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:

AUSQUEST LIMITED

ABN:

35 091 542 451

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,6)	(2,790)
(b) development	-	-
(c) production	-	-
(d) staff costs	(29)	(51)
(e) administration and corporate costs	(133)	(295)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other :		
Funding received from South 32 under the Strategic Alliance Agreement	1,186	1,901
1.9 Net cash from / (used in) operating activities	(585)	(1,234)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(14)
(b) tenements (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(d) other non-current assets	-	-
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	(1)	(14)
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	1,022	1,694
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(585)	(1,234)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(14)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	(5)
4.6	Cash and cash equivalents at end of period	441	441
NB : Subsequent to December 31 : - cash equivalent to A\$1,139,927 received in early January 2018 under Strategic Alliance Agreement.			

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	441	1,022
5.2	Call deposits	-	-
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)	441	1,022

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	44
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	
Payment of director and consulting fees.		

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 <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$'000	Amount drawn at quarter end \$'000
8.1	Loan facilities (Loan and Convertible Note)	A\$317,159	A\$317,159
8.2	Credit standby arrangements	-	-
8.3	South32 Advance facility	US\$1,000,000	Nil
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.		

Loan and Convertible Note Agreement

The Company executed a Loan and Convertible Note Agreement on 5 October 2016 with Mr Chris Ellis, a director and substantial shareholder of the Company for a total loan facility of \$750,000. The conversion price has been set at the lower of 2 cents per share or the 5-day Value Weighted Average Price immediately prior to the conversion. The loan matures on 30 November 2018. Interest on the Loan accrues at 10% per annum commencing six months after the date of the advance, being from 5 April 2017. On the 23 November \$432,841 was converted to AusQuest shares at 2 cents per share following approval from shareholders.

South32 Advance facility

As part of the strategic alliance with South32 Group Operations Pty Ltd, South32 also provided the Company with a US\$1,000,000 unsecured, interest-free cash advance facility to help fund project generation activities as and when required. Money drawn down from this facility can be repaid during the term of the strategic alliance agreement but in any event must be repaid by 31 December 2019. At the date of this report no amount was drawn from this 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	(50)
9.5	Administration and corporate costs	(100)
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	(1,050)

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	E08/2904 Peru: Los Otros 7 Los Otros 8 Ventura 2	-	Nil Nil Nil Nil	100% 100% 100% 100%

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: 30 January 2018

Print name: Henko Vos (Company Secretary)

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.