

23 October 2018

ASX Announcement

BLACKEARTH QUARTERLY ACTIVITIES REPORT

Quarter ended 30 September 2018

During the September 2018 quarter BlackEarth Minerals NL completed the following

- Defined the Razafy JORC Indicated Resource and Exploration Target
- Commenced its scoping study
- Confirmed Razafy graphite mineralogy of graphite flake up to 2900 micron in core
- Completed drilling at Haja and received positive drilling results
- Reported North West Razafy rock chips returning samples of up to 48% TGC
- Produced high-grade large flake concentrate from Razafy Resource

BlackEarth Minerals NL (ASX: BEM) (the **Company** or **BlackEarth**) is pleased to provide this detailed September 2018 quarterly update on its Maniry Graphite Project. On 14 August 2018, BlackEarth updated the market in relation to a JORC Resource and Exploration Target. The Razafy Indicated and Inferred Resource (Razafy Resource), comprising of **11.2Mt @ 7.10% Total Graphitic Carbon (TGC)** is summarised below in Table 1. The vast majority of the resource has been classified with a high degree of confidence at an 'Indicated' classification, with the remainder classified as 'Inferred'.

Classification	Tonnes (Mt)	TGC Grade (%)	Contained Tonnes (t)
Razafy Indicated	8.0	7.22	577,600
Razafy Inferred	3.2	6.80	217,600
Total Resources	11.2	7.10	795,200

Table 1 – Mineral Resource Estimates for Maniry Project

*Note: The Mineral Resource is reported at a 6% TGC cut-off grade
The Mineral Resource was estimated within constraining wireframe solids defined at a nominal 3% TGC cut-off grade*

The Razafy Resource is recognised as being part of a much larger mineralised graphite system that has been defined by extensive and detailed programs of exploration including geological mapping, rock chip sampling, trenching, drilling and airborne geophysical surveys (magnetics and VTEM). The Company has now utilised these extensive, quality datasets to indicate the potential to significantly increase the Mineral Resource in this area with additional drilling and associated activities.

Following this assessment, the Maniry Project currently has an Exploration Target of 260 -380Mt @ 8-6% Total Graphitic Carbon (TGC). Cautionary Statement. The Exploration Targets reported herein are not JORC compliant Mineral Resources. The potential quantity and grade of the Exploration Targets are conceptual in nature. There has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of a Mineral Resource. The description of the datasets, assumptions and methodologies used to derive the Exploration Targets are provided in the ASX Release dated 14 August 2018 and below.

Domain	No. of Lens	Area (m ²)	Depth (m)	Volume (m ³)	SG	Ore Tonnes (t)	Grade Ranges	Tonnage Ranges
Haja	18	900,971	80	72,077,680	2.25	162,174,780	6-7%	140-180 Mt
Ivan	10	306,752	80	24,540,160	2.25	55,215,360	6-7%	35-75 Mt
Razafy	138	585,009	80	46,800,720	2.25	105,301,620	7-8%	85-125 Mt
TOTALS	166	1,792,732		143,418,560		322,691,760	6-8%	260-380 Mt

Table 2 – Exploration targets for the Maniry graphite domains and supporting assumptions

Progress, following the successful Razafy drilling program has focused on BEM's metallurgical program (Figure 1 depicts concentrate produced) and the scoping study to be completed on the Razafy Resource later this year. The Razafy Resource sits within the Company's broader Maniry Graphite Project. Technical details in relation to the Razafy Resource is listed later in this report.

The head grade of the master composite achieved 9.0% Total Graphitic Carbon (TGC) and the results obtained from the initial flotation tests indicate the potential to produce high grade concentrates, in excess of 96% TGC. According to London based Benchmark Mineral Intelligence data, graphite concentrates at this level can attract US\$100-200 premiums over comparable flake size of 90-95%TGC material. The initial test work was performed on diamond drill core samples as part of the 800kg bulk drill core sent to ALS Perth laboratories after recent completion of a Razafy drilling program; reported on extensively since listing.



Figure 1 - Razafy +500µm graphite concentrate

Mineralogical Report

During the September quarter, BlackEarth received a mineralogical report (Report or Townend) undertaken by Townend Mineralogy Laboratory on 19 samples taken from the Company's Razafy graphite prospect in southern Madagascar.

The detailed Report, which is consistent with findings from an earlier preliminary mineralogical report (released to the ASX on 16 February 2018), confirms that, within the drill core:

- Very large flakes (> 500 micron) occur frequently within the two drilled and tested lenses currently making up the Razafy prospect. Significant flakes exist in excess of 850 microns which attracts a premium price in the expandable graphite market;
- The lack of deleterious minerals inside the flakes also suggests the potential for high purity graphite production which is used in higher value end products (eg Li-ion batteries); and
- The 2 Razafy lenses contain largely weathered graphite and are consistent in mineralogy laterally and at depth

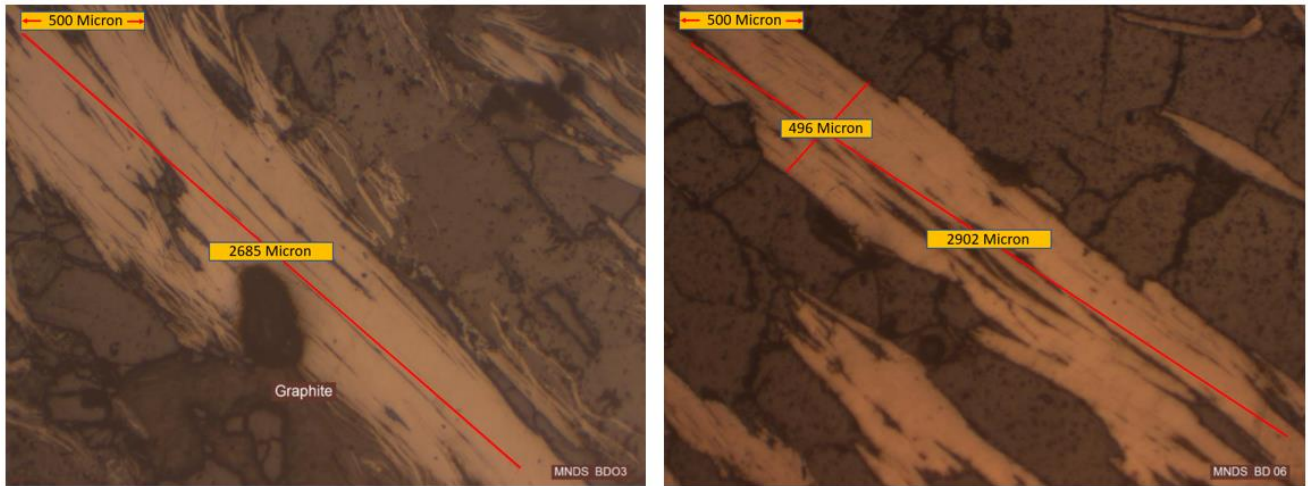


Figure 2 a & b: Photomicrographs of 2 Razafy samples reviewed by Townend

Figure 2a (left) has been taken from hole MNDD034 (12-14 metres) and Figure 2b (right) taken from hole MNDD019 (17-19 metres). Further details on mineralogy are contained in the ASX release dated 5 July 2018 (including competent person details).

Haja Drilling Update

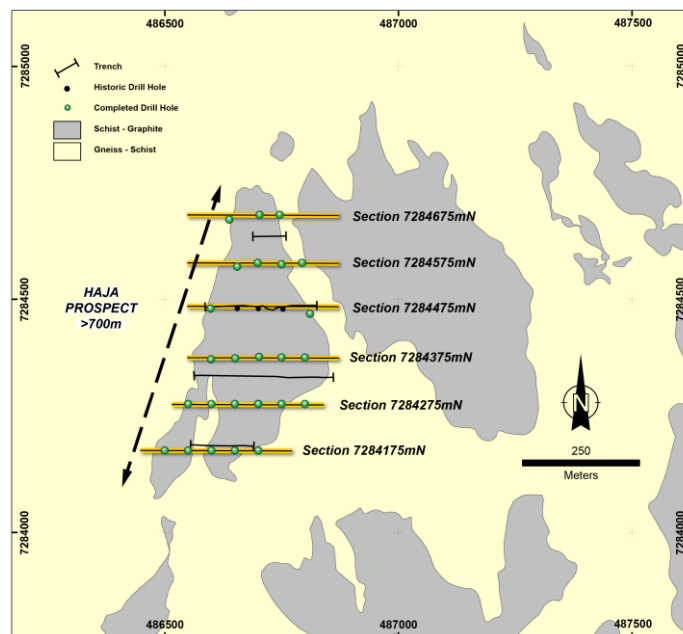


Figure 3 – Haja – Drilling Overview

Assay results were received from the all holes from the 26 hole, 2,026m diamond drilling program. A maiden JORC compliant resource estimation is now in the process of being calculated and is expected to be released to the market in November 2018.

The Haja drilling results demonstrate that the Haja ore body is thick and consistent with zones of higher-grade graphite mineralisation. Mineralisation at Haja remains open 'along strike' to the north and south and 'down dip' to the east. This is clearly demonstrated in Figure 4, with significant widths and grades of mineralisation intersected on the extents of the drill program. Full details are provided in the ASX release dated 23 August 2018 and 3 October 2018.

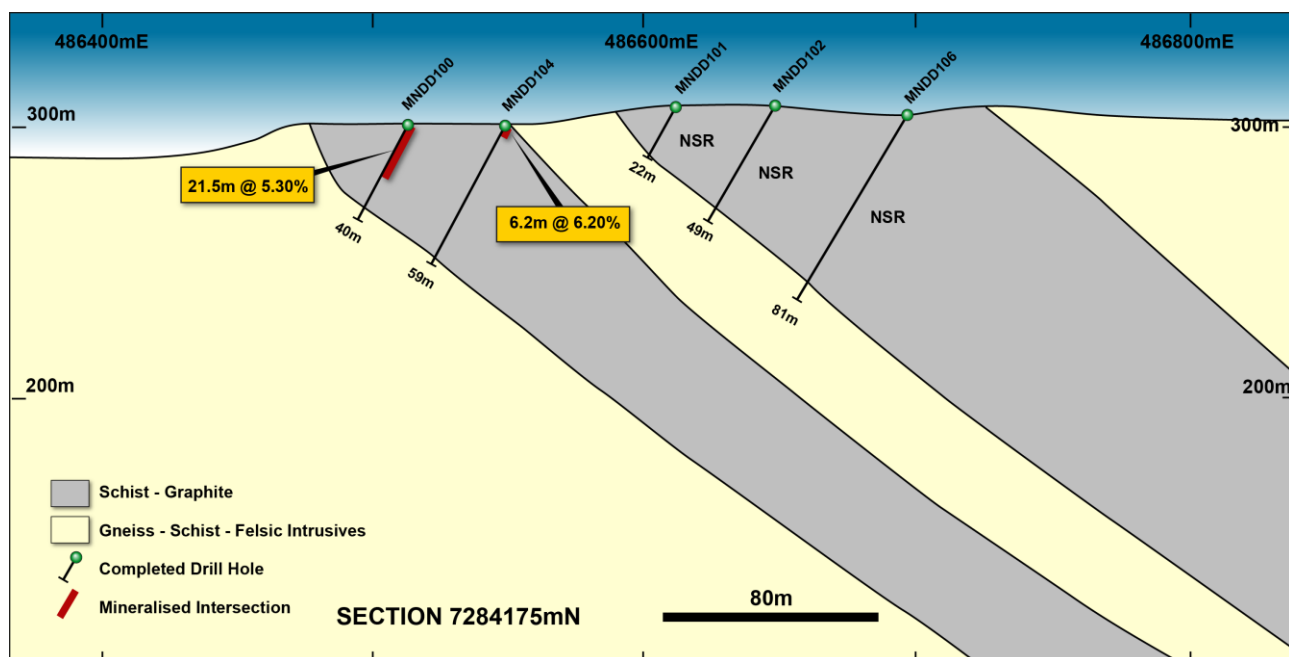


Figure 4– Haja – Cross Section - 7284175 – (see Figure 3)

Razafy JORC Indicated Resource and Exploration Target

JORC Indicated Resource

On 14 August 2018, the Company updated the maiden JORC compliant mineral resource estimation for the Razafy Graphite Deposit (Razafy Resource). The Razafy Indicated and Inferred Resource, comprising of **11.2Mt @ 7.10% Total Graphitic Carbon (TGC)** is summarised below in Table 1. The vast majority of the resource has been classified with a high degree of confidence at an 'Indicated' classification, with the remainder classified as 'Inferred'.

Classification	Tonnes (Mt)	TGC Grade (%)	Contained Tonnes (t)
Razafy Indicated	8.0	7.22	577,600
Razafy Inferred	3.2	6.80	217,600
Total Resources	11.2	7.10	795,200

Table 3 – Mineral Resource Estimates for Maniry Project

Note: The Mineral Resource is reported at a 6% TGC cut-off grade
The Mineral Resource was estimated within constraining wireframe solids defined at a nominal 3% TGC cut-off grade

This Razafy Resource estimate is the culmination of the Company's 74 hole, 5,371m diamond drilling program at Razafy, which was completed earlier this year and will form the foundation of ongoing scoping study activities, which have been progressing in parallel with the resource estimation process. The Maniry Scoping Study remains on schedule for completion in Q4 2018 and will in turn pave the way for a Feasibility Study (FS) which will be completed in 2019.

Exploration Target

The Razafy Resource is recognised as being part of a much larger mineralised graphite system that has been defined by extensive and detailed programs of exploration including geological mapping, rock chip sampling, trenching, drilling and airborne geophysical surveys (magnetics and VTEM).

The Company has now utilised these extensive, quality datasets to indicate the potential to significantly increase the Mineral Resource in this area with additional drilling and associated activities.

Following this assessment, the Maniry Project currently has an Exploration Target of 260 -380Mt @ 8-6% Total Graphitic Carbon (TGC). Cautionary Statement. The Exploration Targets reported herein are not JORC compliant Mineral Resources. The potential quantity and grade of the Exploration Targets are

conceptual in nature. There has been insufficient exploration to determine a Mineral Resource and there is no certainty that further exploration work will result in the determination of a Mineral Resource.

The description of the datasets, assumptions and methodologies used to derive the Exploration Targets are provided in the ASX Release dated 14 August 2018.

Applied Estimate Methodologies

The following assumptions were applied to estimating the Exploration Target (see Table 2):

- 166 major graphite occurrences were identified and the area captured by Micromine modelling software.
- A volume was calculated by applying a depth extent of 80m.
- Tonnes were calculated by applying an average specific gravity (SG) of 2.25 as per the detailed work completed as part of the Razafy Resource estimation.
- Tonnage ranges were created by applying confidence factors ranging from 12% to 36% dependent on the data available.
- Grade ranges were created by applying a conservative ~12% to 15% factor to the estimated average grade of all available assay data (drilling, trenching and rock chip sampling and mapping observations).

Domain	No. of Lens	Area (m ²)	Depth (m)	Volume (m ³)	SG	Ore Tonnes (t)	Grade Ranges	Tonnage Ranges
Haja	18	900,971	80	72,077,680	2.25	162,174,780	6-7%	140-180 Mt
Ivan	10	306,752	80	24,540,160	2.25	55,215,360	6-7%	35-75 Mt
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TOTALS	166	1,792,732		143,418,560		322,691,760	6-8%	260-380 Mt

Table 4 – Exploration targets for the Maniry graphite domains and supporting assumptions

Domain Description

The Maniry Project has been broken down into three regional domains of graphite mineralisation (Figure 5) and are briefly described as follows:

- **The Razafy Domain** is a large-scale fold on the north and eastern margins of the Maniry area. The domain is characterised by multiple high-grade lenses such as the recently defined Razafy and Razafy East Lenses. The Exploration Target for this domain, including the existing Razafy resource, is 85 -125Mt @ 8- 7% TGC.
- **The Ivan Domain** is located centrally at Maniry. The Domain is characterised by large scale, outcropping graphitic schist containing localised folding that appears to have provided localised areas of high-grade mineralisation within the broader lens. The Exploration Target for this domain is 35-75Mt @ 7-6% TGC.
- **The Haja Domain** is characterised by a large-scale fold of the graphitic schist on the western side of the Maniry Project. The domain contains the Haja lens in the interpreted fold nose position, theoretically a position for higher grade mineralisation. This prospect was systematically drill tested, with a JORC compliant resource estimation due in Q4 2018. The Exploration Target for this domain, including the Haja lens, is 140 -180Mt @ 7- 6% TGC.

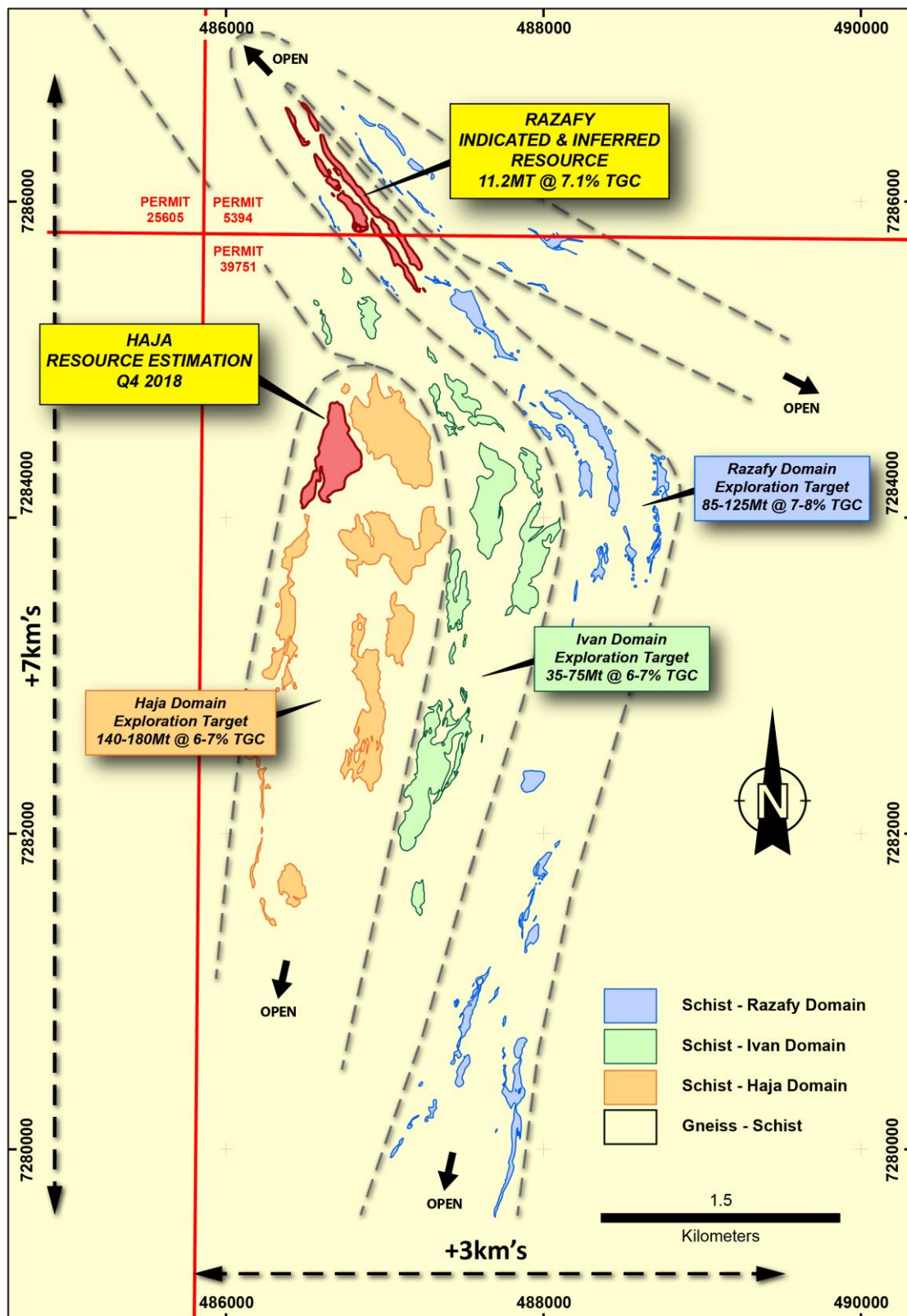


Figure 5 Maniry Project – Resources and Exploration Targets

BlackEarth commences scoping study

During the September quarter, BlackEarth advised that it had appointed BatteryLimits Pty Ltd (BatteryLimits) to commence scoping work on BlackEarth's 100% owned Maniry Graphite Project. This programme is currently expected to be completed by the end of this year and is intended to be a pre-cursor to a feasibility study.

BatteryLimits has considerable experience in graphite projects having conducted metallurgical testwork, scoping studies, pre-feasibility and full feasibility studies on graphite projects in Tanzania, Mozambique and Australia. BatteryLimits is owned by BlackEarth's Chairman, Mr Phil Hearse, and it is his experience in graphite projects which compelled the Board to appoint Mr Hearse to its team.

A detailed metallurgical test plan programme will be completed in November 2018, paving the way to commence marketing of graphite concentrates produced from a bulk sample generated from core from the Razafy graphite prospect drilling campaign.

BlackEarth continues exploration in North West Razafy with rock chips returning samples of up to 48% TGC

BlackEarth advised an update on the analysis on rock chip assays and mapping from the Maniry Graphite Project in southern Madagascar. Mapping by the BlackEarth technical team identified a number of outcropping graphitic schists within 2km of the Razafy Resource, with rock chipping returning exceptional assay results from all of the identified lenses (Figure 6). These zones of high-grade mineralisation will be systematically explored during the upcoming trenching program at Maniry that is due to commence during October. The results of this program are expected to be reported towards the end of the year.

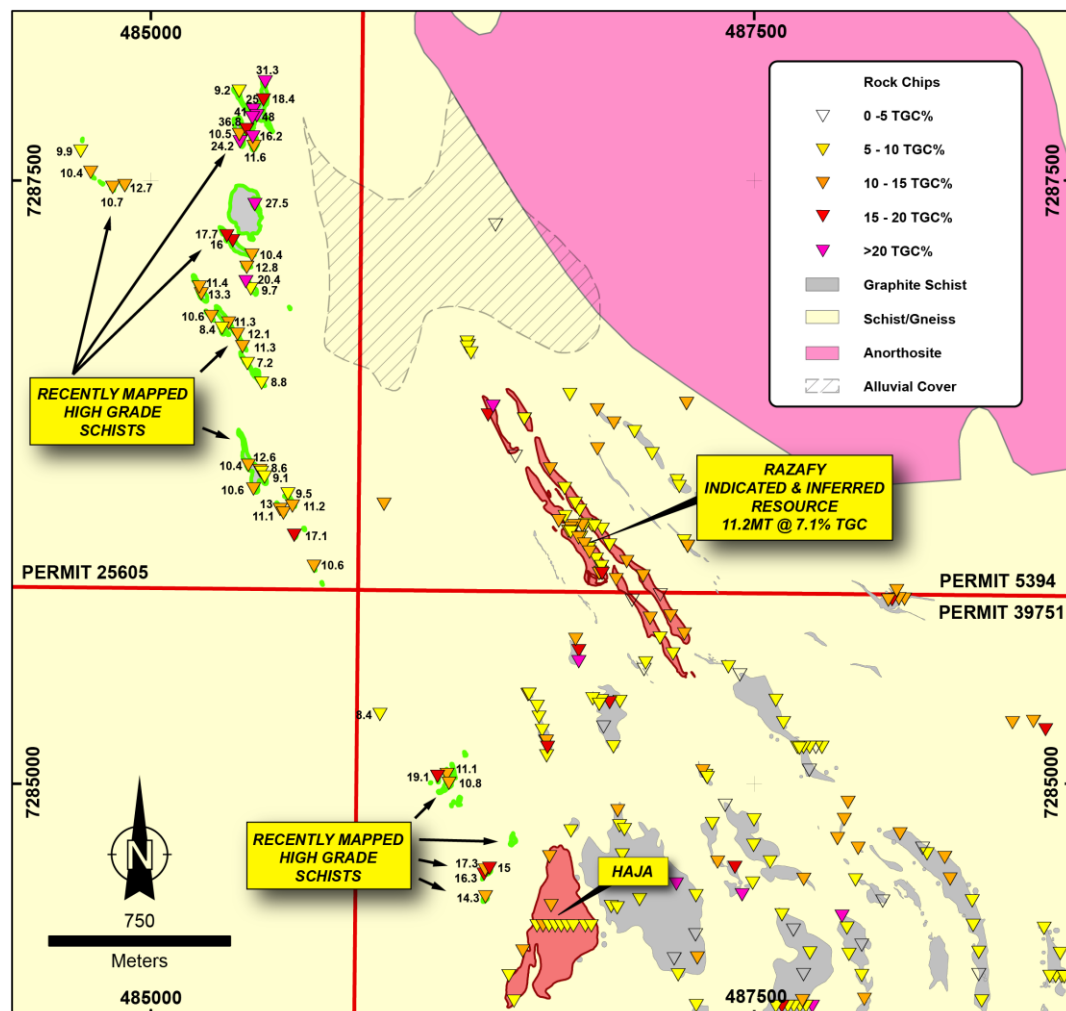


Figure 6 Maniry Graphite Project – Rock Chips and Mapping

In total, 56 rock chips were taken: the vast majority of which returned grades >10% TGC, with two results >40% TGC. A breakdown of the distribution of these results is provided in Table 1 to demonstrate the consistent high grades that have been achieved. A full break down of all assay results is presented in Table 3.

Grade	<10%	10-20%	20-30%	30-40%	>40%
Samples	14	34	4	2	2

Table 5 Maniry Rock Chips – Grade Distribution

The confirmation of mineralisation in this area has further expanded the footprint of the Maniry Graphite Project and once again bolstered BlackEarth's positive view of the project. Critically, the identification of these exceptionally mineralised lenses towards the under-explored, north west corner of the project area is suggestive of a previously un-recognized area of high-grade mineralisation - much of this zone is covered by a relatively thin veneer of alluvial cover (Figure 7). This zone will be further investigated as part of the upcoming trenching program in November.



Figure 7 BlackEarth's Managing Director on the ground at Razafy North West with BlackEarth Madagascar geologist Mr Miravelo Rakotonanahary

BlackEarth produces high-grade large flake concentrate from Razafy Resource

BlackEarth provided an update on the initial metallurgical test work, completed on sample composites from the Razafy Resource. The Razafy Resource sits within the Company's broader Maniry Graphite Project which, covers a total of 142 km² in southern Madagascar.

The head grade of the master composite achieved 9.0% Total Graphitic Carbon (TGC) and the results obtained from the initial flotation tests, indicate the potential to produce high grade concentrates, in excess of 96% TGC (see Figure 1). According to London based Benchmark Mineral Intelligence data, graphite concentrates at this level can attract US\$100-200 premiums over comparable flake size 90-95%TGC material. The initial test work was performed on diamond drill core samples as part of the 800kg bulk drill core, sent to ALS Perth laboratories after recent completion of a drilling program.

Key testwork included:

- Testing 10 composites produced from 21 diamond drill holes from the Razafy Resource with head grades ranging from 8.04% to 9.39% TGC, including a Master Composite with a head grade of 9.00% TGC
- Test work conducted on two comminution composites show low to moderate ore hardness and competency, which reflects the high depth of weathering and consequently has the potential to positively reduce processing costs.

- First pass metallurgical testwork showed excellent results, with initial flotation tests on the Master Composite achieving high grade concentrate 96% TGC with recoveries above 90%.

The concentrate size distribution as shown in Table 1 below:

Size (μm)	Weight (%)	TGC %
500	3.8	95.1
300	18.5	96.4
180	29.7	96.5
150	12.8	96.3
106	11.7	96.0
75	9.6	95.5
-75	14.0	94.0

Table 6 Graphite Concentrate Size Distribution

The current test work program underway in Perth WA (Figure 6) is testing diamond drill core samples from the Razafy prospect, includes both oxide and primary ore mineralisation to establish a preliminary flow sheet design for the current scoping study.



Figure 8 Razafy Resource test work being undertaken at ALS laboratories in Perth WA

The test work is expected to deliver improvements in both concentrate grade and coarse flake size distribution and allow optimisation of the preliminary process flowsheet. In addition, the results from the ten variability composites will be used for initial geo-metallurgical modelling. The test work program is expected to be completed by late November.

Community Relations

BlackEarth continues its partnerships with the local communities in which it operates, to ensure positive and enduring impacts well into the future.

Proposed Program

Depicted in Figure 9 is a summary of BlackEarth's proposed exploration program in context with what it has achieved since it listed in January 2018.

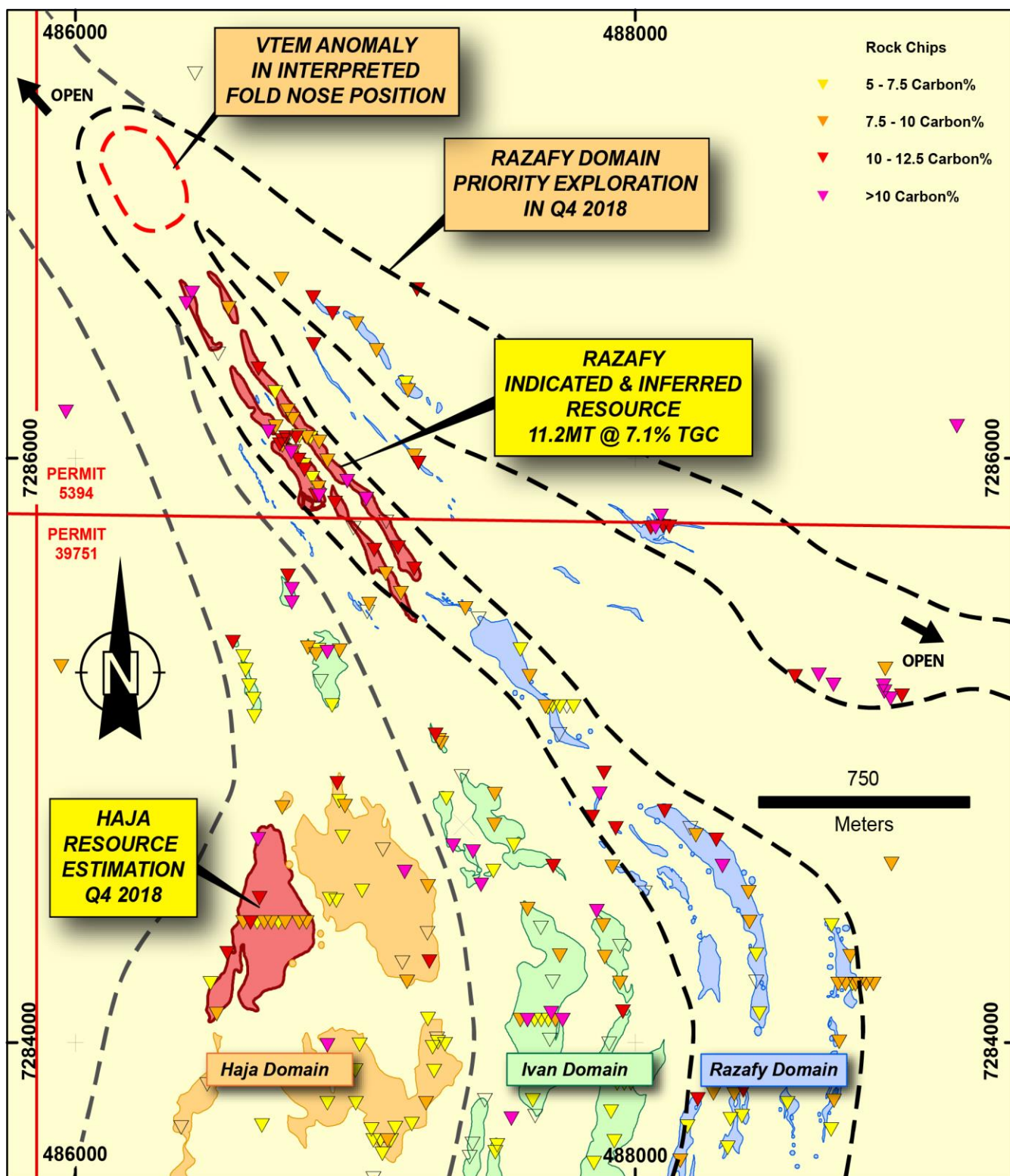


Figure 9 - Summary of proposed program for Q4 2018

CONTACTS

Tom Revy	BlackEarth Minerals NL	08 6145 0289 0411 475 376
Jane Morgan	Investor and Media Relations	0405 555 618

BlackEarth invites investors to attend an online investor briefing with Managing Director Tom Revy, live from the Graphite + Anodes conference in California on October 24. Register to attend here: <http://www.blackearthminerals.com.au/webinar>

BlackEarth encourages investors to update their contact details to stay up to date with Company news and announcements here: <http://www.blackearthminerals.com.au/update-details/>

Competent Person's Statement

The information contained in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Peter Langworthy, a member of The Australasian Institute of Mining and Metallurgy. Mr. Langworthy is an employee of OmniGeoX Pty Ltd which is a consultant to BlackEarth. Mr. Langworthy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr. Langworthy consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to the Exploration Target for the Maniry Graphite Project is extracted from the report entitled "Exploration Target Update" dated 14 August 2018 and is available to view on the Company's website (www.blackearthminerals.com.au). 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 and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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.

The information in this report that relates to the Maiden Resource Estimation for Razafy at the Maniry Graphite Project is extracted from the report entitled "Update – Maiden Resource Estimation for Razafy at the Maniry Graphite Project" dated 14 August 2018 and is available to view on the Company's website (www.blackearthminerals.com.au). 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 and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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.

The information in this document that relates to metallurgical test work results is based on information compiled and reviewed by Mr David Pass, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Pass is an employee of BatteryLimits. Mr Pass has sufficient experience relevant to the mineralogy and type of deposit under consideration and the typical beneficiation thereof to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012 Edition). Mr Pass consents to the inclusion in the report of the matters based on the reviewed information in the form and context in which it appears.

For more information – www.blackearthminerals.com.au

About BlackEarth Minerals NL (www.blackearthminerals.com.au)

BlackEarth Minerals NL (ASX: BEM) is an ASX listed company focused primarily on the exploration and development of its 100% owned Madagascan graphite projects.



The location of the Company's primary graphite projects: Madagascar (Maniry & Ianapera - above)

The Company's Madagascan projects consist of two primary exploration areas: the Maniry Project (**Maniry**) in the south, and the Ianapera Project (**Ianapera**) in the north. Maniry is highly prospective for large-scale, high-quality graphite deposits and is currently at an advanced evaluation stage. The Razafy indicated and inferred resource, comprising of **11.2Mt @ 7.10% Total Graphitic Carbon (TGC)** is summarised in Table below. The vast majority of the resource has been classified with a high degree of confidence at an 'Indicated' classification, with the remainder classified as 'Inferred'. The Mineral Resource is reported at a 6% TGC cut-off grade.

The higher confidence classification of the majority of the resource was supported by detailed petrological assessments (ASX Announcements dated 16 February 2018 and 5 July 2018) and has now been fully validated through this current program of metallurgical test work.

The Mineral Resource was estimated within constraining wireframe solids defined at a nominal 3% TGC cut-off grade.

Classification	Tonnes (Mt)	TGC Grade (%)	Contained Tonnes (t)
Razafy Indicated	8.0	7.22	577,600
Razafy Inferred	3.2	6.80	217,600
Total Resources	11.2	7.10	795,200

Mineral Resource Estimates for Maniry Project

Results, from recent diamond drilling have confirmed that the Razafy Prospect (contained within the Maniry Project area) consists of high grade, thick outcropping graphitic mineralisation contained within distinct lenses which remain not only open along strike but also at depth. Recent identification of further lenses to the east also highlights the prospectivity of the immediate area which, based on mapping and previous exploration represents only 5% of the current Maniry Project area.

Ianapera is located approximately 50km north of Maniry. It consists of a series of high-grade outcrops, up to 800m long and 30m wide, of graphite mineralisation within a broader graphite trend. Identified as a large conductive body, potential exists for the presence of a large graphitic mineralised system.



SCHEDULE OF MINING TENEMENTS

Details of Mining Tenements at Quarter ended 30 September 2018 (ASX Listing Rule 5.3.3)			
Australia			
Tenement ID	Location	State	Interest
E09/2234	Yalbra	WA	100%
E66/95	Northern Gully	WA	100%
E70/4811	Kauring, Greenhills	WA	100%
E70/4812	Kauring, Greenhills	WA	100%
E70/4824	Yanmah, Donelly	WA	100%
E70/4825	Manjimup, Donelly	WA	100%
E70/4903	Kauring, Greenhills	WA	100%
E70/4906	Kauring, Greenhills	WA	100%
International			
Tenement ID	Location	Country	Interest
PR25605	Maniry	Madagascar	100%
PR25606	Maniry	Madagascar	100%
PR3432	Maniry	Madagascar	100%
PR39750	Maniry	Madagascar	100%
PR39751	Maniry	Madagascar	100%
PE5394	Maniry	Madagascar	100%
PE5391	Ianapera	Madagascar	100%
PE5392	Ianapera	Madagascar	100%
PE5393	Ianapera	Madagascar	100%
PE25093	Ianapera	Madagascar	100%
PE25094	Ianapera	Madagascar	100%

CORPORATE INFORMATION

(23 October 2018)

60,785,500 fully paid ordinary shares
 28,142,750 \$0.25 partly paid shares paid to
 \$0.0001 and unpaid \$0.2499
 2,750,000 million Unlisted \$0.30 options
 \$10 million market capitalisation

BOARD OF DIRECTORS

Phil Hearse (Non-executive Chairman)

Tom Revy (Managing Director)

George Bauk (Non-executive Director)

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

BlackEarth Minerals NL

ABN

66 610 168 191

Quarter ended ("current quarter")

30 September 2018

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	(830)	(830)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(196)	(196)
	(e) administration and corporate costs	(69)	(69)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	5
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	(1,090)	(1,090)
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	-	-
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)	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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 (Proceeds from IPO shares in trust)	-	-
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	3,097	3,097
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,090)	(1,090)
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	39	39
4.6	Cash and cash equivalents at end of period	2,046	2,046
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	2,046	3,097
5.2	Call deposits (IPO shares in trust)	-	-
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)	2,046	3,097

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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

80

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

Payments to directors and employees for services to the economic entity.

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 (BEMPP's)

7,033

-

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.

BEMPP's - Current outstanding amounts on BEMPP – 25 cent contributing shares

9. Estimated cash outflows for next quarter

\$A'000

9.1 Exploration and evaluation

533

9.2 Development

-

9.3 Production

-

9.4 Staff costs

240

9.5 Administration and corporate costs

68

9.6 Other (provide details if material)

-

9.7 Total estimated cash outflows

841

Mining exploration entity and oil and gas exploration entity quarterly report

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: "Barry Woodhouse"
(~~Director~~/Company secretary)

Date: 23 October 2018

Print name: Barry Woodhouse.

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.