

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, 01/05/2013

Name of entity

Mantle Mining Corporation Limited

ABN

70 107 180 441

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'ooo	Year to date (3 months) \$A'ooo
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(388)	(388)
(b) development	-	-
(c) production	-	-
(d) administration	(215)	(215)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (R&D Refund)	-	-
Net Operating Cash Flows	(600)	(600)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(100)	(100)
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	30	30
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(70)	(70)
1.13 Total operating and investing cash flows (carried forward)	(670)	(670)

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1.13	Total operating and investing cash flows (brought forward)	(670)	(670)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	316	316
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	233	233
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Capital raising costs)	(11)	(11)
	Net financing cash flows	538	538
	Net increase (decrease) in cash held	(132)	(132)
1.20	Cash at beginning of quarter/year to date	541	541
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	409	409

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	95
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amounts shown at item 1.23 relate to:

- Directors' fees, salaries and superannuation

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

During the quarter, the Company issued 5,651,232 fully paid ordinary shares to directors, employees and contractors in lieu of \$66,447 of accrued remuneration outstanding at 30 June 2015. The shares were issued pursuant to the Company's approved Directors and Employees Fee Plan.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

During the quarter, the Company received \$30,000 from Avanti Mining as consideration for a 10% interest in the Company's Norton Gold Project.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	
4.3 Production	
4.4 Administration	150
Total	350*

*Excludes payments to be made under the proposed acquisition of Morning Star Gold NL which remains subject to shareholder approval as at the date of this announcement.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	294	426
5.2 Deposits at call	115	115
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	409	541

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Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	EL5323 (VIC)	50%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	518,271,956	518,271,956	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	20,833,333 5,651,232	20,833,333 5,651,232	0.012 cents 0.0118 cents
7.5	+Convertible debt securities (description)			

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	52,884,471	52,884,471	<i>Exercise price</i> \$0.018	<i>Expiry date</i> 30 June 2016
7.8	Issued during quarter	15,625,000	-	1.5cents	30 Nov 2017
7.9	Exercised during quarter				
7.10	Expired during quarter	(78,973,425)	(78,973,425)	\$0.045	30 June 2015
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 29 October 2015
(~~Director~~/Company secretary)

Print name: Erlyn Dale
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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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

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- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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