



ASX Release

21 January 2016

Quarterly Report – Period Ending 31 December 2015

HIGHLIGHTS

- AMED have made a cash offer of 5 cents per ordinary share in World Titanium Resources.
 - An alternate mine plan for Ranobe mining leases was completed by independent consultants, to treat 12 Million tonnes per annum (Mtpa) for 17 year mine-life.
 - A 39% increase in the Mineral Resource estimate to 244.7 million tonnes garding 8.02% Heavy Mineral (HM) based on the new mine plan.
 - An independent Scoping Study demonstrated that simplifying the processing stream to sell only zircon/rutile concentrates in containers and stockpile ilmenite will require a capital cost of US\$48m plus VAT (up to 20%), working capital and other owners costs.
 - Test work is underway to process 5 tonnes of Ranobe mineralised sand grading some 8% HM to assess the possibility of using the new MG12 spirals and secure a saleable zircon/rutile concentrate for testing by potential customers.
 - Cash balance at 31 December 2015: A\$2.6 million.
-

Unsolicited takeover cash offer from AMED

On 18 January 2016, World Titanium Resources Limited (“World Titanium”) announced an unsolicited takeover offer from African Minerals Exploration and Development Fund 11 (“AMED”). Under the on-market offer, AMED have made an unconditional cash offer of 5 cents per ordinary share in World Titanium commencing on 2 February 2016.

Given the offer is not currently open for acceptance, World Titanium Directors advise that there is no need for shareholders to act at this stage. Shareholders will be updated in due course.

AMED also announced that the fund’s shareholding in World Titanium is now 20.45%.

RANOBE MINE PROJECT

Background

On 27th April 2012, World Titanium Resources Limited (WTR) received two Mining Licences abutting each other some 55 kilometres north of Toliara on the south west coast of Madagascar. Each of the Mining Licences has a term of 40 years and is renewable.

On 23 June 2015, the Environmental Management Plan (EMP) for the Ranobe Project as approved by ONE was signed by your company and we have agreed to commit to the conditions of the EMP.

A 39% increase in the Mineral Resource estimate for Ranobe Mining Licences

On 18 January 2016, your Company announced Measured and Indicated Resources in the Mining Licences of 244.7 mt grading at 8.02% HM, an increase of 39% over the 2012 maiden resource estimate of 176 mt at 8.13% HM. The upgrading of the resource classification is included within a revised global Mineral Resource estimate of 884.2 mt at the measured, indicated and inferred confidence levels grading at 6.19% HM.

The 2015 updated mineral resource estimates provided below replace the previous estimates prepared in accordance with the 2004 edition of the JORC Code, and first disclosed by the Company in 2012 (reference Australian Stock Exchange (ASX) releases of 9 August and 28 August 2012). This updated estimate includes:

- Additional drilling of 363 air-core holes into the Ranobe deposit undertaken in late 2012 for a total of 8088.2 metres.
- Inclusion of a digitized 3% HM cut-off.
- Reporting in accordance with the 2012 edition of the JORC Code.

Alternate Mine Plan

Given the scale of the capital costs from Independent Consultant, EPMS, of over US\$175m plus working capital (reported September quarterly 2015) and the difficulty your company envisaged in securing offtake ilmenite contracts in the current over-supplied world market, we are shaping a new mine plan. With the assistance of independent consultant, Geovia Services of South Africa, the alternate mine plan is based on:

1. Similar to 2012 mine plan and excavate to an average depth of some 17.5 metres below the natural surface;
2. To increase sand processing from 8 to 12 mtpa, and
3. Simplify wet processing and produce a simpler metallurgical circuit.

The scoping study detailed below is based on the new mine plan.

Scoping Study option reduces capital costs

A high level Scoping Study completed by independent consultant, ADP Marine and Modular (ADP) of Cape Town, South Africa has demonstrated that simplifying the processing stream to sell only zircon/rutile concentrates in container and stockpile ilmenite will require a capital cost of US\$48m plus VAT (up to 20%), working capital and other owners costs.

Given the difficulty we envisaged to secure consumer ilmenite contracts at adequate pricing to support the projected development plan, your company is examined a number of different alternative processing methods. We believe a simpler processing plant will enable the company to commence production on a smaller scale focusing on higher margin products, which we expect will reduce upfront capital costs. On this basis, your company contracted independent consultants, ADP to provide a Scoping Study for the Ranobe project operating at a 50% increase in the mining rate from 8 to 12 million tonnes per year of mineralised sand when compared with the TZMI Definitive Engineering Study announced on 28 August 2012. ADP Marine and Modula (ADP) in Cape Town, South Africa, is a leading supplier of modular processing plants and projects in diamonds, minerals sands, coal and gold mining industries.

ADP has an agreement with Mineral Technologies on the Gold Coast in Queensland, Australia to combine their skills in such areas as spiral technology, electrical processing and other similar gravity separation methods.

The Ranobe Scoping Study considered:

- A dry mining operation to treat 12 million tonnes per year of mineralized sand around 8% HM per year.
- Average estimated output of 66,000 tonnes per year of zircon/rutile concentrate over the first 17 year alternate mine plan.
- Concentrate shipped using containers from the existing Toliara port.
- Ilmenite averaging some 670,000 tonnes per year will be stockpiled adjacent to the Wet Processing Plant.
- Modular equipment build using ADP's capabilities and Mineral Technologies experience in spiral design.
- Phase TWO capital in Year 3 comprises of an additional US\$6m for the installation of a conveyor transport system for the movement of run-of-mine material to the Wet Processing Plant and tailings disposal.

A breakdown of the US\$48m capital cost estimate is:

• Spiral plant (using new MG12)	US\$13.2m
• Steelwork,mechanical equipment	US\$17.6m
• Engineering,Procure,Construct,Manage (EPCM)	US\$3.7m
• Local transport/shipping costs from South Africa	US\$5.7m
• Earthworks, security, site management	US\$3.6m
• Power generators	US\$4.2m
Total	US\$48m

Test work with Mineral Technologies

Preliminary work was completed in the December quarter 2015 by Mineral Technologies (MT) near Brisbane, Queensland on two-stage Wet High Intensity Magnetic Separation (WHIMS) to clearly define and optimise the maximum recovery of magnetic ilmenite versus the more non-magnetic zircon/rutile concentrate product.

We have since approved additional test work to process 5 tonnes of Ranobe run-of-mine mineralised sand with about 8% HM. The sample arrived on 8 December 2015 in Brisbane,Australia and testing started on 4 January 2016. As part of this program, we intend to test the suitability of using the newly MT designed Spiral 12 when compared with the Spiral 6.3 (both designed and manufactured by MT). I have requested MT to produce a final Heavy Mineral Concentrate (HMC) without the trash via the WHIMS and clean-up with spirals/tables. A portion of the HMC will be sent to our potential customer base for assessment. We anticipate a HMC sample during March 2016.

LGIM

LGIM as it is known in French is Madagascar's Large Mining Investment Act. In late September 2015, WTR was invited to commence the LGIM process which defines the framework for developing and operating large-scale mining projects in Madagascar and provides for legal stability and financial incentives, including for example the establishment of off-shore bank accounts.

The LGIM was developed with the support and assistance of the World Bank and endorsed by the Government of Madagascar in 2002.

The Investment (capital) which is above the lower threshold of US\$25m is eligible for the special regime established by this Law, valid on July 30, 1999, the passing date of the Mining Code. In Madagascar to carry out a Project from an approved Investment Plan in accordance with the provisions of this Law, the ratio between loan funds and equity must not exceed 75:25 %.

We are in the midst of compiling documents for the LGIM process.

CORPORATE

Cash balance at 31 December 2015 was A\$2.6m and A\$0.7 expected to be spent in next quarter, ending 31 March 2016

Cash used during the quarter amounted to A\$0.6m, representing mainly payments for metallurgical test work and administration costs. The cash balance as at 31st December 2015 stood at A\$2.6m. Forecast expenditure for the next quarter is to the tune of A\$0.7m. In addition to administration costs, there will be ongoing expenses for studies on the Mineral Technologies test work and the payment for exploration and mining licenses for the Company's deposits in Madagascar.

Tenement Status

No Tenement changes were made during this quarter. Appendix 1 details current tenement holdings. No tenements are subject to farm in or farm out agreements.

Jeffrey Williams
Chief Executive Officer
World Titanium Resources
Perth, Western Australia

All enquiries to be directed to:

support@worldtitaniumresources.com or Jeff Williams at jwilliams@worldtitaniumresources.com

About World Titanium Resources:

World Titanium Resources Limited (ASX: WTR) is an Australian based mining company in the business of developing and exploiting Heavy Mineral Sand deposits in the Republic of Madagascar. The Company owns a 100% of the Toliara Sands Project located along the southwest coast of Madagascar that comprises four Heavy Mineral Sands properties including its flagship Ranobe property.

The Ranobe Property is at an advance state of development with environmental permitting in place. It is anticipated that a Definitive Feasibility Study incorporating an alternate mine plan to that announced in August 2012 (28th August 2012; Ranobe Engineering Results) with a name plate capacity of 12,000,000 tonnes per annum will be undertaken shortly.

As background the Company received the two Mining Licenses for the Ranobe Project on 27 April 2012. Each of the License's has a term of 40 years and is renewable.

Mineral Resource Estimate

The updated mineral resource estimate, released on 18 January 2016, includes all drilling data reported in the 2012 independent maiden resource estimate undertaken by McDonald Speijers and Associates (2012; see ASX release dated 28 August 2012), with the addition of subsequent 2012 drilling data. The new resource estimate includes a digitized 3% Heavy Mineral (HM) cut-off, and the recognition of a western boundary formed by the on-lap of a younger dune formation. Whilst a westward extension to the deposit at or greater than 3% HM in the overlying younger dunes and the underlying Upper Sand Unit is indicated by the drilling data, no mineralogical data for the younger dune system is available at present, and thus the Company is not currently treating this area as a resource, and has excluded it from the current resource estimate.

Mineral Resource Estimate¹

100 % Basis

Resource Category	Tonnes (10 ⁶)	Oversize %	Slimes %	HM %	Ilmenite %	Rutile %	Zircon %	Monazite/Xenotime %
Measured	360.2	0.12	3.96	7.23	71.64	2.33	5.58	1.84
Indicated	171.2	0.15	3.90	5.94	72.3	2.33	5.6	1.85
Inferred	352.8	0.52	4.98	5.25	72.3	2.33	5.59	1.85
Measured, Indicated and Inferred	884.1	0.28	4.36	6.19	72.03	2.33	5.59	1.85

Notes:

1. For further detail see ASX release of 18 January 2016.

Scoping Study Production Target ²

A scoping study being prepared by ADP Consultants has defined a pit outline, based upon:

- Mining rate of 12 mtpa ore;
- Extracting rutile and zircon to produce a mixed concentrate averaging 66,000 tpa whilst stockpiling an average of approximately 670,000 tpa OF ilmenite, and
- Current rutile and zircon prices of US\$800 and US\$1000/tonne, respectively.

The precision of the capital and operating cost estimates in the scoping study is not sufficient to enable the attribution of reserve status to the resources. The resources within the pit outline established by the scoping study are as follows:

Resource Category	Tonnes (10 ⁶)	Oversize %	Slimes %	HM %	Ilmenite %	Zircon %	Rutile %
Measured	210.5	0.14	4.07	8.21	71.27	5.55	2.35
Indicated	34.1	0.35	3.81	6.84	72.35	5.60	2.34
Measured and Indicated	244.7	0.17	4.04	8.02	71.42	5.56	2.35

Notes:

1. For further detail see ASX release of 18 January 2016.

Resource Estimation

Although all units overlying the limestone basement are mineralized, only the aeolinite Upper Sand Unit (USU) is considered to comprise a resource in terms of the JORC (2012) code. The estimation used drill samples collated over 1 to 3 metre intervals from reverse circulation drilling. Drill cross sections were constructed from the data, and a 3% HM cut-off wireframe was digitized from the borehole data to constrain the lower limit of the mineralization within the USU. The applied criteria for meeting the 3% HM cut-off for inclusion in the resource estimation were as follows:

- For each hole, 0 m to the base of material containing 3% Heavy Minerals (HM) must average \geq 3% HM for that entire interval of the drill-hole to be included.
- Where all samples to the base of material grading \geq 3% HM do not average \geq 3%, then only the contiguous samples starting at 0 m and averaging \geq 3% were used.
- In all cases, the bottom sample in the included interval for each hole has a HM grade \geq 3%.
- If Slimes exceed 20%, then such material was excluded from the resource unless the THM was also \geq 5%. Even then, samples in which Slimes are very high (\geq 40%) and THM only about 5% were excluded.

An upper DTM (Digital Terrain Model) wireframe was constructed from LIDAR data, and all drill collar and 3% HM wireframe normalized to the model surface. Drill samples were composited to 1.5 metre composites, and a block model constructed aligned north-south parallel to the drill grid using block sizes of 100 mN x 50 mE x 1mRL. The block model was populated using the ID2 method and a dynamic ellipsoid to follow the local variation in anisotropy of the deposit. Measured HM resources were defined by a search ellipsoid measuring 300 metre in the principle axis with an intermediate axis ratio of 2 based on variogram modelling, with a vertical search limit of 3 metres. Inferred Resources

¹ Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition, sets out minimum standards, recommendations and guidelines for public reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves, authored by the Joint Ore Reserves Committee of The Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia.

² The stated production target is based upon the Company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met.

were defined by a multiplier X2, and inferred resources using a x4 multiplier. Resources were classified by drill spacing due to the uncomplicated geology, continuity of mineralization and confidence in drill hole data. Blocks which were drilled using a spacing 200 mN x 100 mE were classified as a measured resources, whilst blocks drilled at a drill spacing of 400 mN x 100 mE were classified as an indicated resource, with the remaining areas classified at the inferred resource level of confidence. Block grade estimates were cross checked against drill data by visual comparison of cross sections.

Mineral assemblage data exhibited little variation across the deposit, with ranges derived from variogram modelling in excess of 600 metres as a function of HM content. Mineral assemblage data were composited to 1.5 metre intervals and interpolated as a function of HM content using the ID2 method employing a dynamic ellipsoid with a principle axis measuring 600 metres with an intermediate axis ratio of 2 and a 3 metre vertical search limit. Blocks falling outside the search limits were populated using weighted mineral assemblage averages. Specific gravity values were calculate for each block using an industry standard of specific gravity = 1.61 + (0.01 x HM Content).

Forward Looking Statements

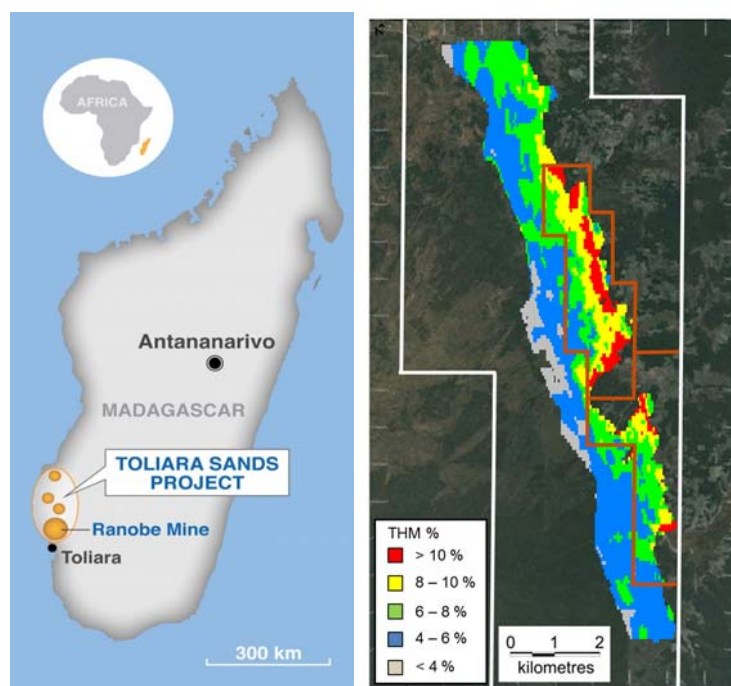
Certain information contained in this report, including any information on WTR's plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance constitute forward-looking statements. Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. WTR cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of WTR to be materially different from the company's estimated future results, performance or achievements expressed or implied by those forward-looking statements. These factors include the inherent risks involved in exploration and development of mineral properties, changes in economic conditions, changes in the worldwide price of zircon, ilmenite and other key inputs, changes in the regulatory environment and other government actions, changes in mine plans and other factors, such as business and operational risk management, many of which are beyond the control of WTR.

Investors are cautioned that the information prepared for both releases dated 28 August 2012; Results of Completed Definitive Engineer Study for the Ranobe Mine, and the see release dated 9th August 2012; Ranobe Mine – Significant Resource Increase were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Similarly the material assumptions underpinning the production target have not changed, and remain valid since it was last reported.

Competent Person Statement

Ian Ransome, B.Sc. (Hons) Geology, Pr.Sci.Nat., a Director of the Company, who is a registered geological scientist with the South African Council for Natural Scientific Professions (SACNASP), and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration, and is thus a Qualified Person in terms of the JORC Code, has reviewed and consented to the inclusion of the scientific and technical information contained in this ASX Release.

www.worldtitaniumresources.com



Appendix 1: Tenement Holdings of World Titanium Resources Ltd.

Toliara Sands SARL and Madagascar Resources SARL are 100% owned subsidiaries of World Titanium Resources Ltd. No tenements are subject to farm in or farm out agreements.

PROJECT	PERMIT NUMBER	REGISTERED Holder/Applicant	PERMIT TYPE	GRANT DATE (Application Date)	EXPIRY DATE	TERM (Years)	TOTAL AREA (km ²)	SMALL SQUARE	SUBSTANCES UNDER TITLE	NOTES
Ranobe	3315	TSSARL	R	21/03/2012	20/03/2015	3	106.25	272	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(1)
	12026	TSSARL	R	15/09/2004	14/09/2014	10	6.25	16	Ilmenite	(2) (3)
	17388	TSSARL	R	28/07/2005	27/07/2015	10	18.75	48	Ilmenite	(2) (9)
	37242	TSSARL	E	21/03/2012	20/03/2052	40	9.38	24	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(4)
	39130	TSSARL	E	21/03/2012	20/03/2052	40	9.38	24	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(4)
Ankiloaka	3314	MRSARL	R	12/01/2001	11/01/2011	10	75	192	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2) (5)
	36876	MRSARL	R	22/11/2004	21/11/2014	10	12.5	32	Ilmenite	(2) (6)
Basibasy	35822	MRSARL	R	12/01/2001	11/01/2011	10	81.25	208	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2) (5)
Morombe	30250	MRSARL	R	12/01/2001	11/01/2011	10	206.25	528	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2) (5)
Other	36182	MRSARL	R	22/10/2009			62.50		Ilmenite, Rutile, Zircon, Magnetite	(7)
	36183	MRSARL	R	22/10/2009			8.59		Ilmenite, Rutile, Zircon, Magnetite	(8)
	36648	MRSARL	R	16/11/2009			3.13		Calcaire	(7) (8)
	39650	MRSARL	R	16/11/2009			3.13		Calcaire	(7) (8)
	38091	MRSARL	R	23/09/2010			30.47		Ilmenite, Grenate, Zircon	(7)

DEFINITIONS: "R": Research (Exploration) "E": Exploitation (Mining Permit)
 "TSSARL": Toliara Sands SARL "MRSARL": Madagascar Resources SARL
 "BCMM": Bureau Du Cadastre Minier De Madagascar

NOTES:

- Renewable once for three year period. Application lodged on 15 December 2014 and pending at BCMM.
- Renewable twice for a three year period per renewal.
- Renewal application lodged on 23 May 2014 and pending at BCMM.
- Renewable once for 40 year period.
- Renewal application lodged 17 September 2010 for a three-year period and awaiting the issuance of the permits
- Renewal application lodged 1 September 2014 and pending at BCMM.
- New application pending at BCMM.
- Permit 36648 has been split into two Permits (36648 and 39650) but to date the Company has not received confirmation of grant.
- Awaiting the issuance of the permits (PR 17388)

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 1/6/2010.

Name of entity

WORLD TITANIUM RESOURCES LTD

ABN

21 120 723 426

Quarter ended ("current quarter")

31st Dec, 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6mths) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration & evaluation	(175)	(339)
(b) development	-	-
(c) production	-	-
(d) administration	(457)	(876)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	8
1.5 Interest and other costs of finance paid	(2)	(4)
1.6 Income taxes paid, GST/taxes paid	6	26
1.7 Other	-	-
Net Operating Cash Flows	(624)	(1,185)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(3)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	9	28
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	8	25
1.13 Total operating and investing cash flows (carried forward)	(616)	(1,160)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(616)	(1,160)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	-	30
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - Costs associated with capital raising	-	-
	Net financing cash flows	-	30
Net increase (decrease) in cash held			
		(616)	(1,130)
1.20	Cash at beginning of quarter/year to date	3,272	3,551
1.21	Exchange rate adjustments to item 1.20	(82)	153
1.22	Cash at end of quarter	2,574	2,574

Payments to directors of the entity and associates of the directors
Payments to 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	155
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

All payments to Directors and Associates are on normal commercial terms.

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

N/A

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

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

N/A

		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	300
4.2	Development	-
4.3	Production	-
4.4	Administration	400
	Total	700

+ See chapter 19 for defined terms.

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	2,524	3,222
5.2	Deposits at call	50	50
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		2,574	3,272

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining 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 upper 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	460,404,808	460,404,808	Fully Paid	Fully Paid
+Ordinary securities Total Issued and Quoted Issued, but not quoted (subject to ASX escrow)				
7.4	-	-	-	-
Changes during quarter (a) Increases through issues/exercised options - Cash Issue - Merger Consideration (b) Decreases through returns of capital, buy-backs - Consolidation				
7.5	-	-	-	-
+Convertible debt securities (description)				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options	<i>Options</i>	<i>Listed Options</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
		1,000,000	-	\$0.046	15/10/2019
		2,000,000	-	\$0.046	15/10/2019
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	1,500,000	-	\$0.275	31/12/2015
7.11	Debentures (totals only)	-	-	-	-
7.12	Unsecured notes (totals only)	-	-	-	-

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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 21st January, 2016
 CFO

Print name: Goroodeo Sookun

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.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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+ See chapter 19 for defined terms.