24 October 2014

Centralised Company Announcements Platform
Australian Securities Exchange
10th floor, 20 Bond Street
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QUARTERLY ACTIVITIES AND CASHFLOW REPORT 30 SEPTEMBER 2014

Please find attached the Quarterly Activities and Appendix 5B Quarterly Cash Flow Reports for the quarter ended 30 September 2014.

Yours faithfully

Stephen Biggins
Managing Director

A Level 2, 143 Hutt Street, Adelaide SA 5000 | T (08) 7324 2987| F (08) 8312 2002| E info@coreexploration.com.au
www.coreexploration.com.au

ASX Release

24 October 2014

CORE EXPLORATION LTD
Level 2
143 Hutt Street
Adelaide SA 5000
(08) 7324 2987

CONTACT:

Stephen Biggins
Managing Director

Jarek Kopias
Company Secretary

E-MAIL:
info@coreexploration.com.au

WEBSITE:
www.coreexploration.com.au

Directors:

Greg English
Non-Executive Chairman

Stephen Biggins
Managing Director

Michael Schwarz
Non-executive Director

Heath Hellewell
Non-executive Director

Issued Capital:
135,486,287 Ordinary Shares
32,716,567 Listed Options
2,900,000 Unlisted Options
9,300,000 Unlisted Performance Rights

ASX Codes: CXO, CXOO

QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 30 SEPTEMBER 2014

Highlights

Core commenced RC drilling at Inkheart Prospect during the quarter to follow-up the high grade silver-lead mineralisation discovered by the Company in the NT.

A busy drill focussed phase of exploration is planned on key copper targets in the NT.

Overview

The Board of Core Exploration Ltd ("Core") is pleased to present its quarterly activities report for the period ended 30 September 2014.

Core has recently received impressive initial silver and lead results from its reverse circulation (RC) drilling during the quarter at its Inkheart Prospect in the Northern Territory. Core's RC drilling has hit additional silver and lead intersections with values of up to 268g/t silver (Ag) and 8% lead (Pb).

A large prospective zone has been identified on the Company's Jervois Domain project north east of Alice Springs in the NT during the reporting period. Core is currently utilising a high-powered AEM system to define drill targets within the 20km prospective zone that has similar structural and magnetic features to KGL's nearby copper resource at Jervois.

Core is also expecting drilling approvals for copper targets at Virginia and within the Copper Royals district ahead of a busy drill-focussed phase of exploration in the NT.

Project Activity

Albarta Project, Northern Territory

(CXO 100%)

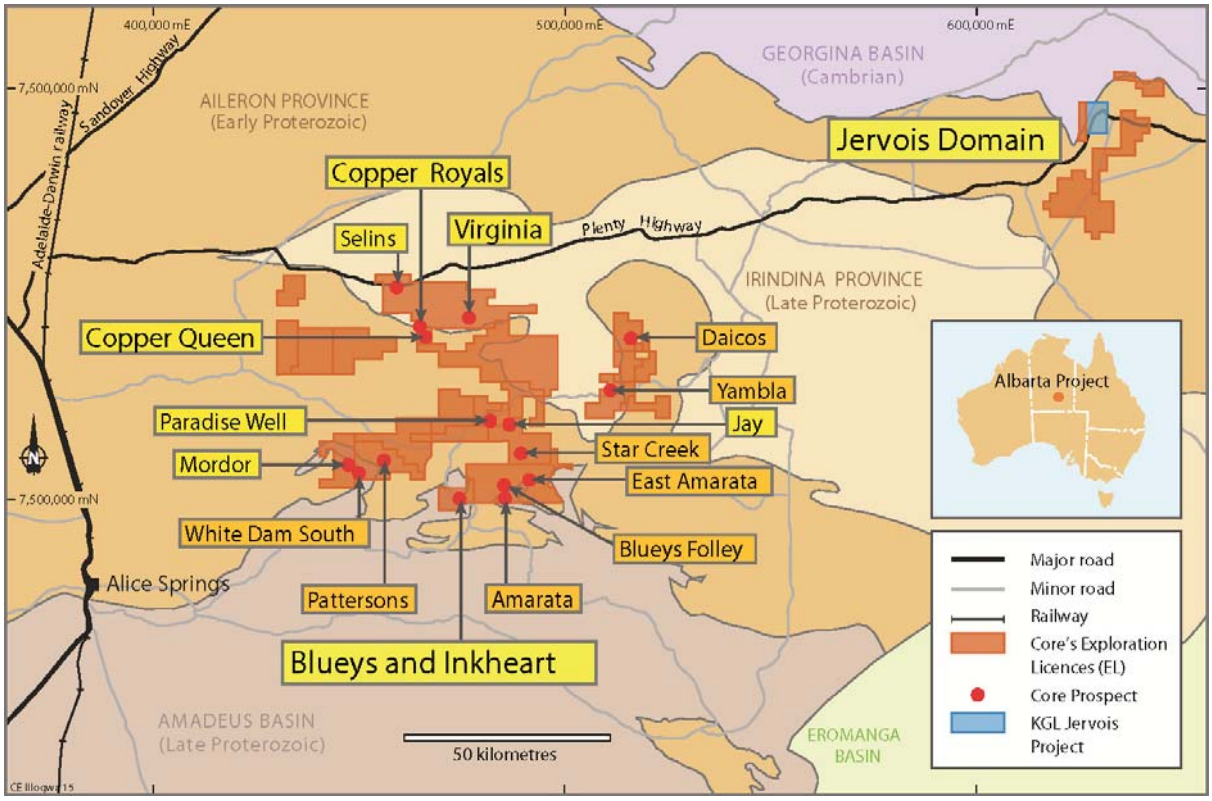

Figure 1. Core's Albarta Project prospects and tenements overlain on regional geology, NT

Blueys and Inkheart Prospects, EL 28136 NT

(CXO 100%)

Core completed the second round of drilling at Inkheart and Blueys during the quarter as an immediate follow up to the high-grade silver-lead results intersected in its maiden drilling program completed last quarter. A total of eighteen reverse circulation holes were drilled for a total of 2,527 metres (Figure 2 and Table 1). Seventeen of the holes were drilled at Inkheart (IKRC006-IKRC022), which was discovered by Core earlier in 2014.

Drilling at Inkheart was designed to test ~1,500 metres of strike length at the contact of Heavitree Quartzite and Bitter Springs Formation of the Amadeus Basin stratigraphy, which has in part, been overthrust by Artnarpa Igneous Complex basement. Drill holes were located to test both soil geochemical anomalism and induced polarisation (IP) chargeable features. One hole (BLRC013) was drilled at Blueys to test deep parts of the mineralising system.

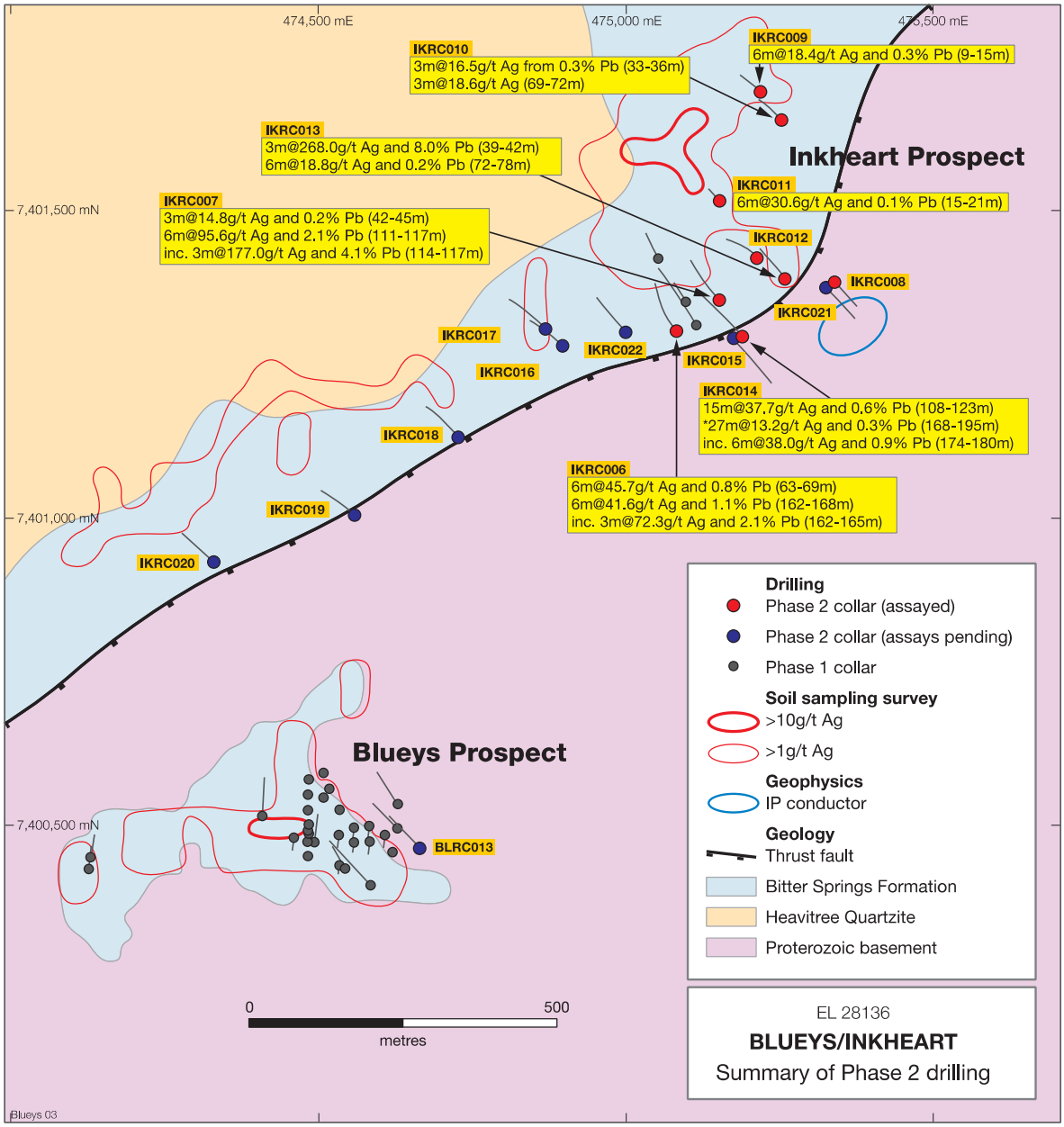

Figure 2. Drilling results and collar locations overlain on geology, Inkheart and Blueys Prospects, NT.

At the time of compiling this report assays have only been received for nine of the Inkheart holes but have included impressive silver and lead results in the first batch of assays from its recent RC drilling at the Inkheart Prospect in the Northern Territory. Core's RC drilling has hit additional silver and lead intersections with values of up to 268g/t silver and 8% lead.

These first assay results confirm and extend the mineralisation discovered at Inkheart in the Company's first drilling program in the NT during May this year.

Assays received to date show that silver and lead mineralisation has been hit consistently in all of the four drill sections targeting the Bitter Springs geology. Shallow higher-grade intersections are potentially broadening at depth (Figure 3).

Assays to come are expected to extend the mineralised zones further to the south west and the mineralised zones also remain open to the north east and at depth (Figure 1 and 2).

Mineralisation has been intersected in structurally controlled veins within lower grade mineralisation and alteration halos within sedimentary layers of the Bitter Springs Formation (Figure 2).

Current and previous drill assays and downhole geology have confirmed that mineralisation at Blueys and Inkheart Prospects are likely to be part of the same mineralising system depositing metals in the Bitter Springs Formation, which reinforces the tenement wide and regional potential of the Bitter Springs Formation for the discovery of economic base-metal deposits.

Results and Drilling

Core's drilling has confirmed and extended the high-grade silver and lead mineralisation discovered by Core. Significant intersections have been identified in the assays in seven of the nine holes received to date:

IKRC006:
6m @ 45.7g/t Ag & 0.8% Pb [63-69m]
6m @ 41.6g/t Ag & 1.1% Pb [162-168m] inc **3m @72.3g/t Ag & 2.1% Pb [162-165m]**
IKRC007:
3m @ 14.8g/t Ag & 0.2% Pb [42-45m]
6m @ 95.6g/t Ag & 2.1% Pb [111-117m] inc 3m @ 177.0g/t Ag & 4.1% Pb [114-117m]
IKRC009:
6m @ 18.4g/t Ag & 0.3% Pb [9-15m]
IKRC010:
3m @ 16.5g/t Ag & 0.3% Pb [33-36m]
3m @ 18.6g/t Ag [69-72m]
IKRC011:
6m @ 30.6g/t Ag & 0.1% Pb [15-21m]
IKRC013**:**
3m @ 268.0g/t Ag & 8.0% Pb [39-42m]
6m @ 18.8g/t Ag & 0.2% Pb [72-78m]
IKRC014:
15m @ 37.7g/t Ag & 0.6% Pb [108-123m]
27m @ 13.2g/t Ag & 0.3% Pb [168-195m] inc 6m @ 38.0g/t Ag & 0.9% Pb [174-180m]*

Intersections are calculated applying a 10g/t silver cut-off allowing up to 3 metres of internal dilution and a minimum thickness of 3 metres. Average lead results are presented for the corresponding silver intervals. * applied a 0.1% lead cut-off and allowed up to 3 metres of internal dilution and a minimum thickness of 3 metres.

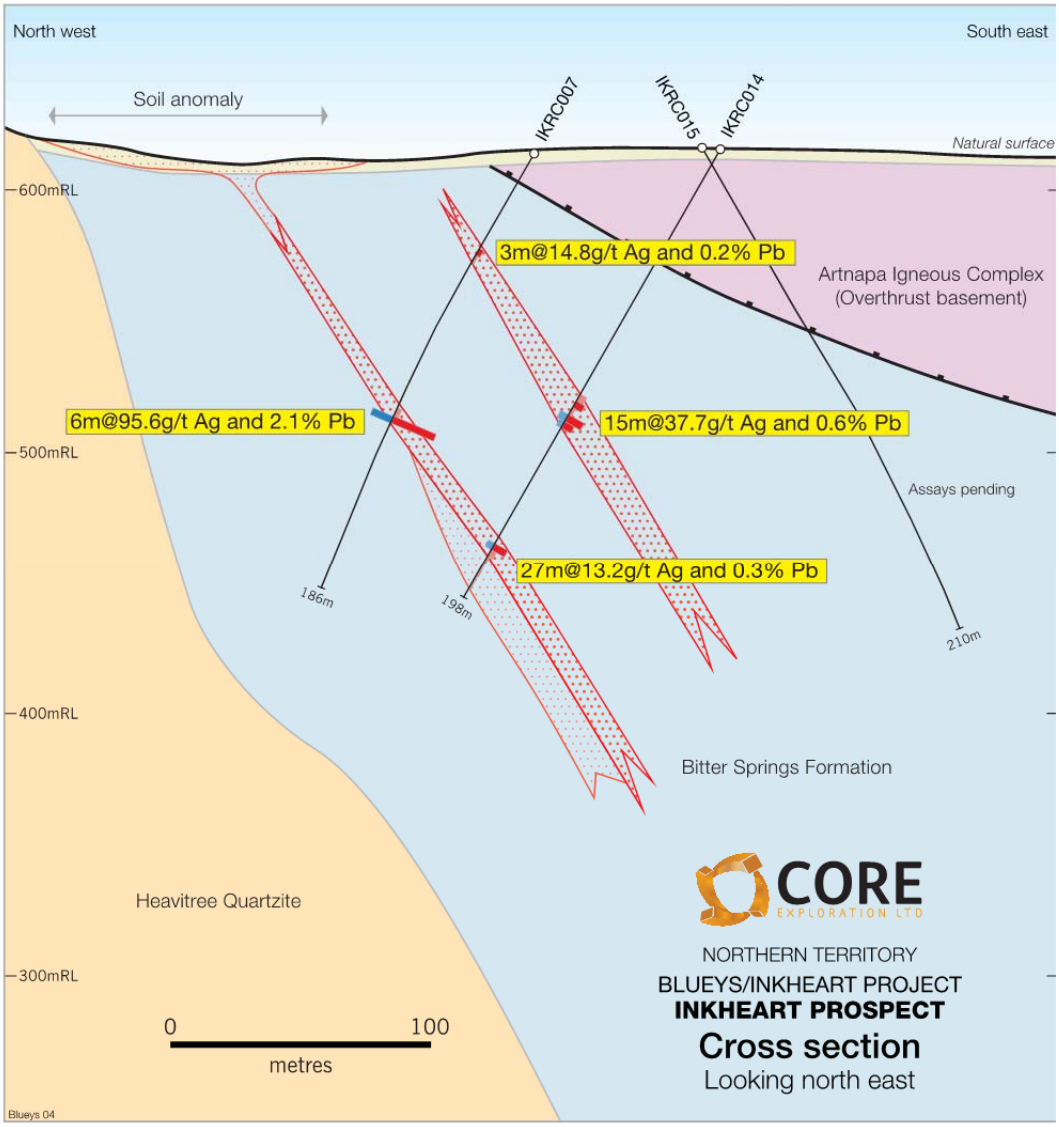

Figure 3. Cross-section of drillholes and prospect geology, Inkheart NT.

Inkheart Prospect Mineralisation & Geology

Mineralisation at Inkheart is structurally controlled and related to the over thrusting of the older (Mesoproterozoic) Artnarpa Igneous Complex over the younger (Neoproterozoic) Bitter Springs Formation (BSF) and (Heavitree Quartzite (HTQ) (Amadeus Basin stratigraphy). This over thrusting has provided a narrow constricted fluid pathway for metal-bearing fluids and reactive (carbonate) lithologies of the BSF provided the trap to accumulate base-metals and silver.

Mineralisation at Inkheart is invariably constrained to more bleached quartz veined carbonate-rich facies within the BSF. Mineralisation is often visible as galena (lead sulphide), within strongly carbonate altered zones and are generally accompanied by increased abundance of pyrite. There is a strong association of silver with lead, however copper and zinc results are more variable. Gold has not been assayed in the initial analysis of three-metre composite samples.

The drilling completed so far is relatively limited and results are still pending for many holes, however, there is strong support to suggest Inkheart comprises a structurally controlled set of mineralised zones with several sets dipping between 40° to 60° to the south-east as evidenced in holes IKRC007 and IKRC014 and on the original phase one drilled section.

Repetitious intersections of these veins along strike give confidence of their continuity where assays have been received. Holes drilled south west of the phase one traverse have assays still pending, but visible mineralisation was observed, thus significant strike extension is predicted.

To the northwest of Inkheart the underlying HTQ forms steeply rising hills. The majority of the drill holes at Inkheart were collared on the flank of the hill drilling directly into the BSF. In the holes drilled further away from the hills, over thrust basement Artnarpa Igneous Complex, comprising amphibolite and granitic gneiss was intersected. It is evident that the thrust is relatively shallow dipping at ~20°. Drilling down the thrust contact to test an IP anomaly proved difficult with both holes IKRC008 & IKRC021 were abandoned early after the holes collapsed in broad clay alteration zones on the thrust contact (Figure 2).

Hole ID	Easting	Northing	RL	Total Depth	DIP	TAZ	Completion
IKRC006	475081	7401305	618.9	192	-60	325	Sep 2014
IKRC007	475152	7401357	614.4	186	-60	315	Sep 2014
IKRC008	475338	7401385	605.8	115	-60	135	Sep 2014
IKRC009	475219	7401695	611.6	90	-60	315	Sep 2014
IKRC010	475252	7401649	612.0	102	-60	315	Sep 2014
IKRC011	475152	7401517	607.7	60	-60	315	Sep 2014
IKRC012	475212	7401425	606.9	108	-60	315	Sep 2014
IKRC013	475257	7401391	606.7	114	-60	325	Sep 2014
IKRC014	475189	7401296	616.1	198	-60	315	Sep 2014
IKRC015	475174	7401294	616.9	210	-60	135	Sep 2014
IKRC016	474896	7401281	615.8	132	-60	315	Sep 2014
IKRC017	474868	7401309	621.3	150	-60	315	Sep 2014
IKRC018	474727	7401134	612.8	150	-60	315	Sep 2014
IKRC019	474558	7401006	616.6	162	-60	315	Sep 2014
IKRC020	474328	7400929	622.0	150	-60	315	Sep 2014
BLRC013	474664	7400463	605.1	150	-60	315	Sep 2014
IKRC021	475324	7401376	605.7	126	-60	135	Sep 2014
IKRC022	474999	7401304	618.7	132	-60	315	Oct 2014

Table 1. Reverse circulation drillhole information, Blueys and Inkheart Prospects, NT.

Jervois Project, EL's 29579, 29580, 29581 & 29669 NT

(CXO 100%)

Following a review of existing datasets and a reconnaissance field visit, an exploration model for Core's Jervois Domain Project has been generated that highlights potential prospectivity for a repeat of the mineralised stratigraphy under shallow cover as illustrated in the solid geology interpretation and cross section (A-B, C-D) in Figure 4. Core's tenure surrounds KGL's EL 25489 where an updated global resource of 25.3 Mt @ 1.1% copper and 22.1 g/t silver was recently announced (ASX:KGL 15/09/2014).

Core's EL 29581 is located only 500m west of KGL's Bellbird drill intersection of 13m @ 5.75% Cu, 23.2g/t Ag, 0.32g/t Au from 20m (Hole JOC090) announced by KGL (ASX 21/07/2014).

To date, significant mineralisation has been successfully discovered in the outcropping Jervois Domain in a "J" shaped horizon that is dominated by tightly folded Bonya Schist. Due to shallow cover, only limited historical work has been undertaken elsewhere in this highly prospective district.

CXO's exploration model in the Jervois region considers the mineralised host stratigraphy is repeated under shallow cover on the eastern side of the Jervois Domain. This interpreted repeated stratigraphy runs directly through Core's tenements.

Core has noted KGL's recent success using electromagnetics (EM) on their neighbouring ground to map mineralised conductors beyond known resources and at depth. The magnetic and potentially replicated mineralised system is interpreted on Core's tenements albeit at lower amplitude reflecting a likely deeper source.

In association with CSIRO, Core has commenced acquisition of 200m line-spaced high-powered VTEM Supermax™ to be flown over those parts of EL's 29579, 29580 and 29581 situated over the Jervois Domain block (Figure 5). CSIRO as part of a proposed Research in Business (RiB) study will manage QAQC and undertake processing and inversion modelling of the survey. This new data will be further modelled in conjunction with all available existing datasets including magnetics by CSIRO factoring what is known about Jervois-style mineralisation.

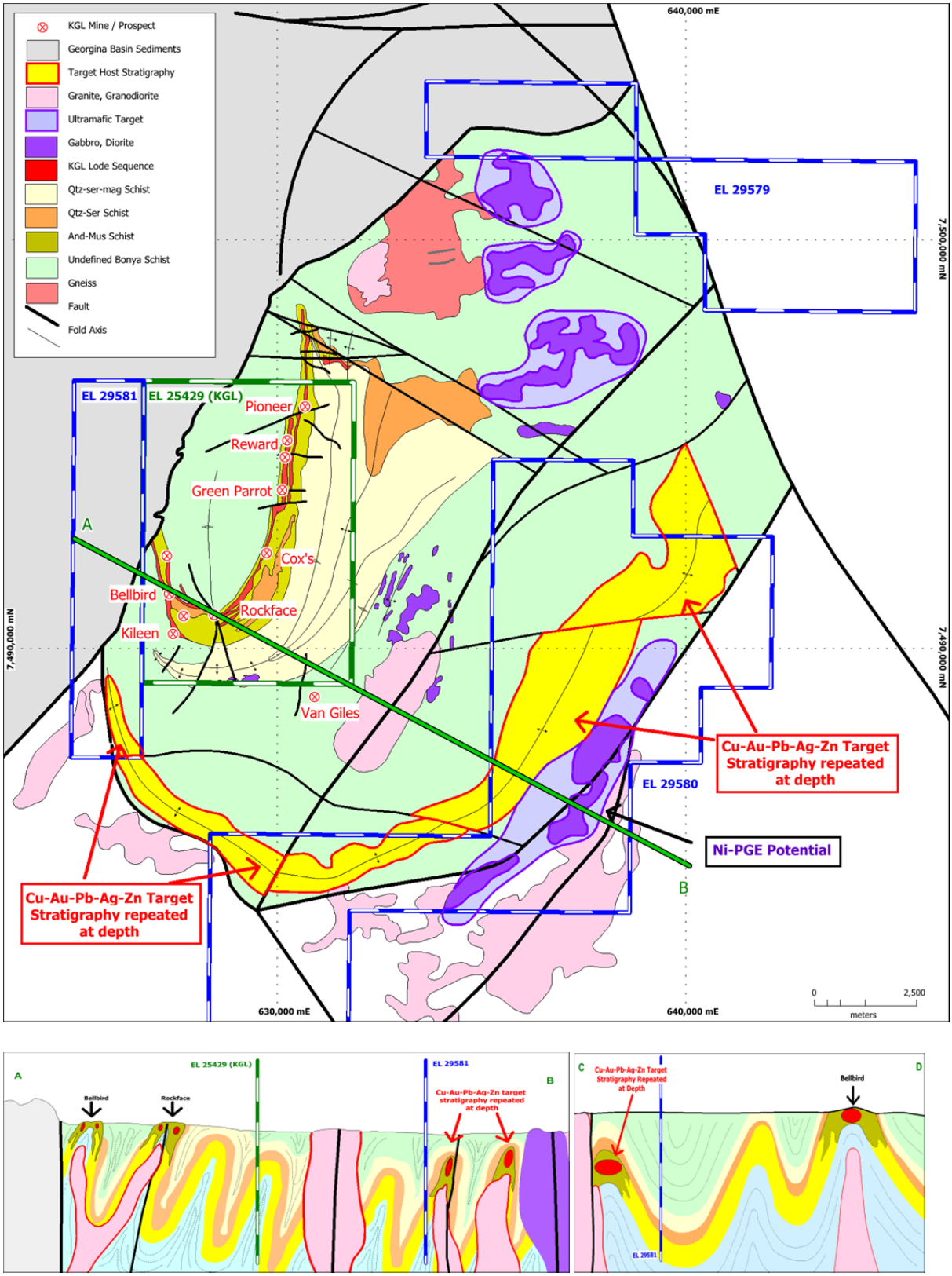

Figure 4: Interpreted solid geology and schematic cross sections (A-B & C-D) for the Jervois Domain illustrating target potential on Core's tenure.

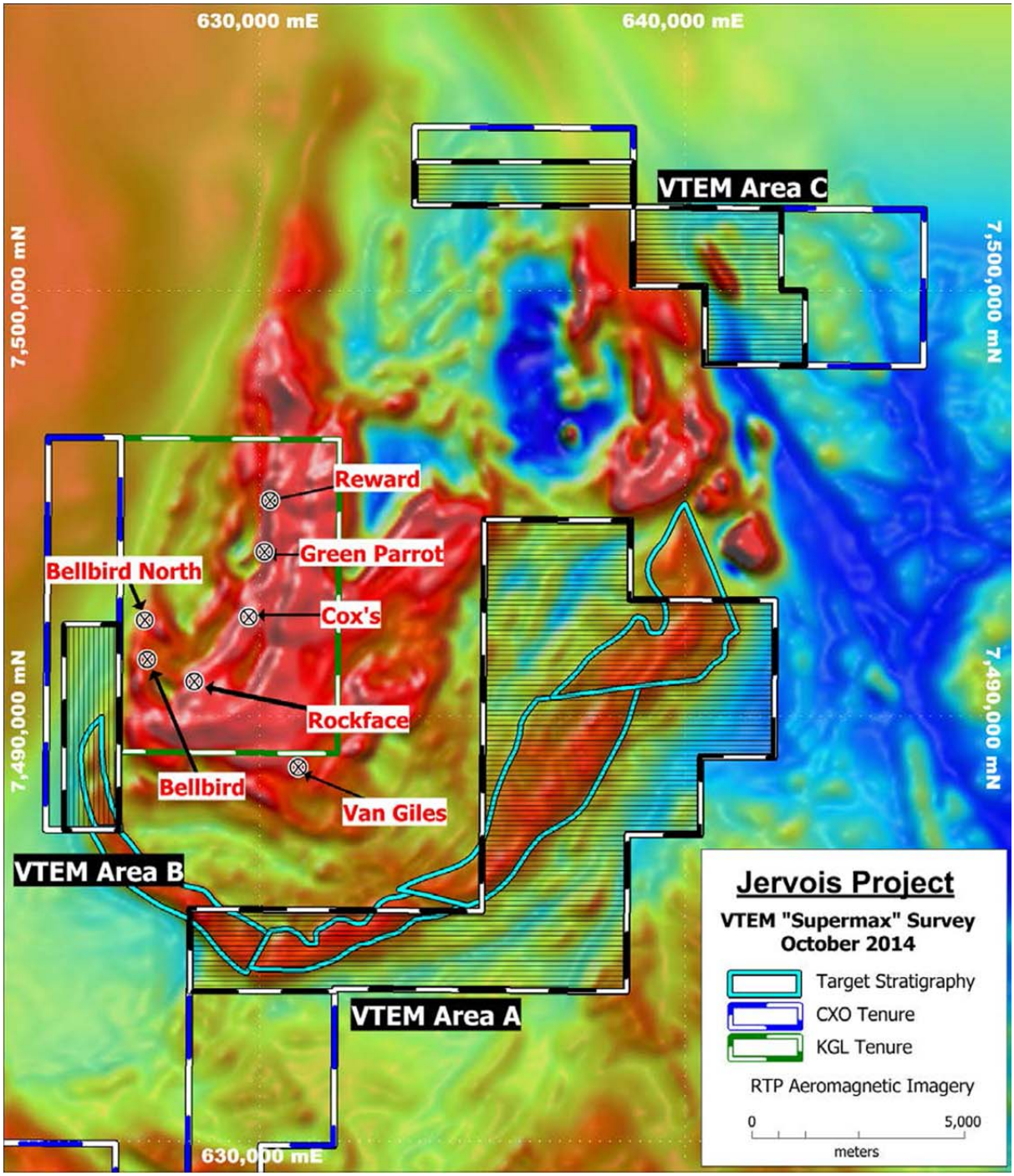

Figure 5: Planned VTEM survey areas over Jervois on magnetic imagery

Virginia Prospect, EL 29689 NT

(CXO 100%)

Preparation for a drilling program at Virginia is currently in progress with land access approvals expected in November (Figure 6). A maiden RC drilling program at Virginia is scheduled for November.

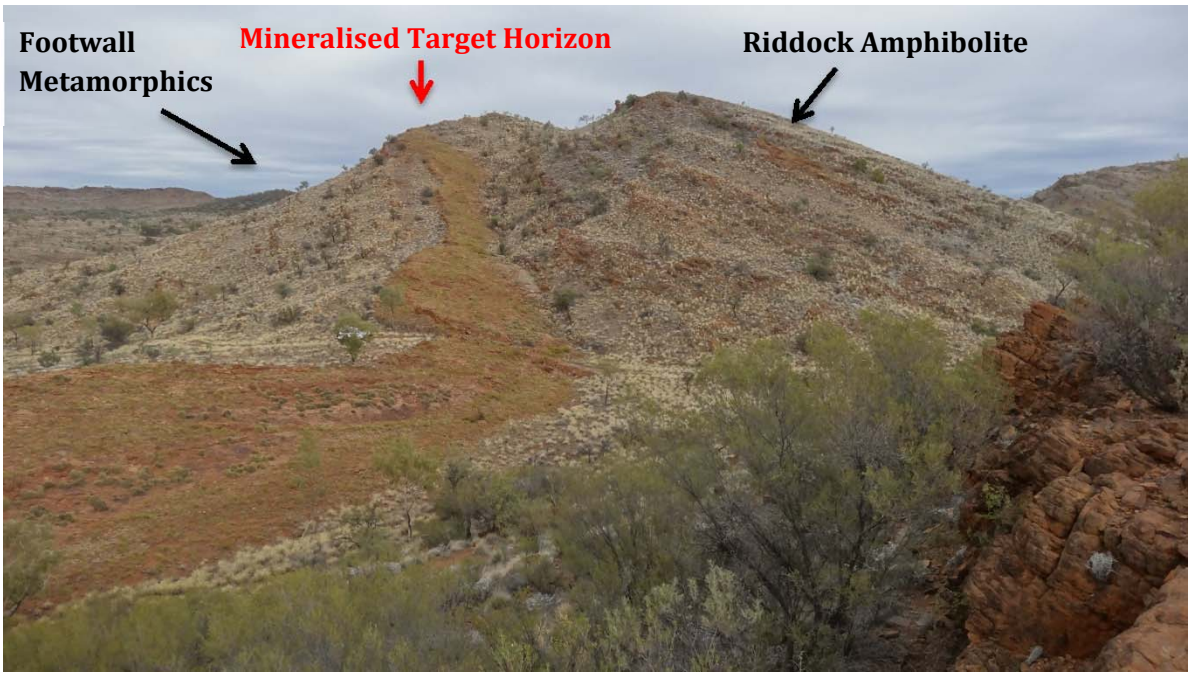

Figure 6: View of the Virginia Prospect showing the mineralised horizon looking west

Copper Queen Prospect, EL 29689 NT

(CXO 100%)

Copper Queen is one of a number of prospective copper targets in the copper rich Copper Royals district in the NT (Figures 1 & 7).

Two induced polarisation (IP) transects were undertaken by Core at the Copper Queen Prospect to define subsurface chargeability features and drill targets associated with a 600m copper trend at the Copper Queen Prospect within the Company's promising Albarta project, north east of Alice Springs in the Northern Territory (Figure 7). Core's IP geophysical surveys have, for the first time, identified significant chargeable copper drill targets at Copper Queen.

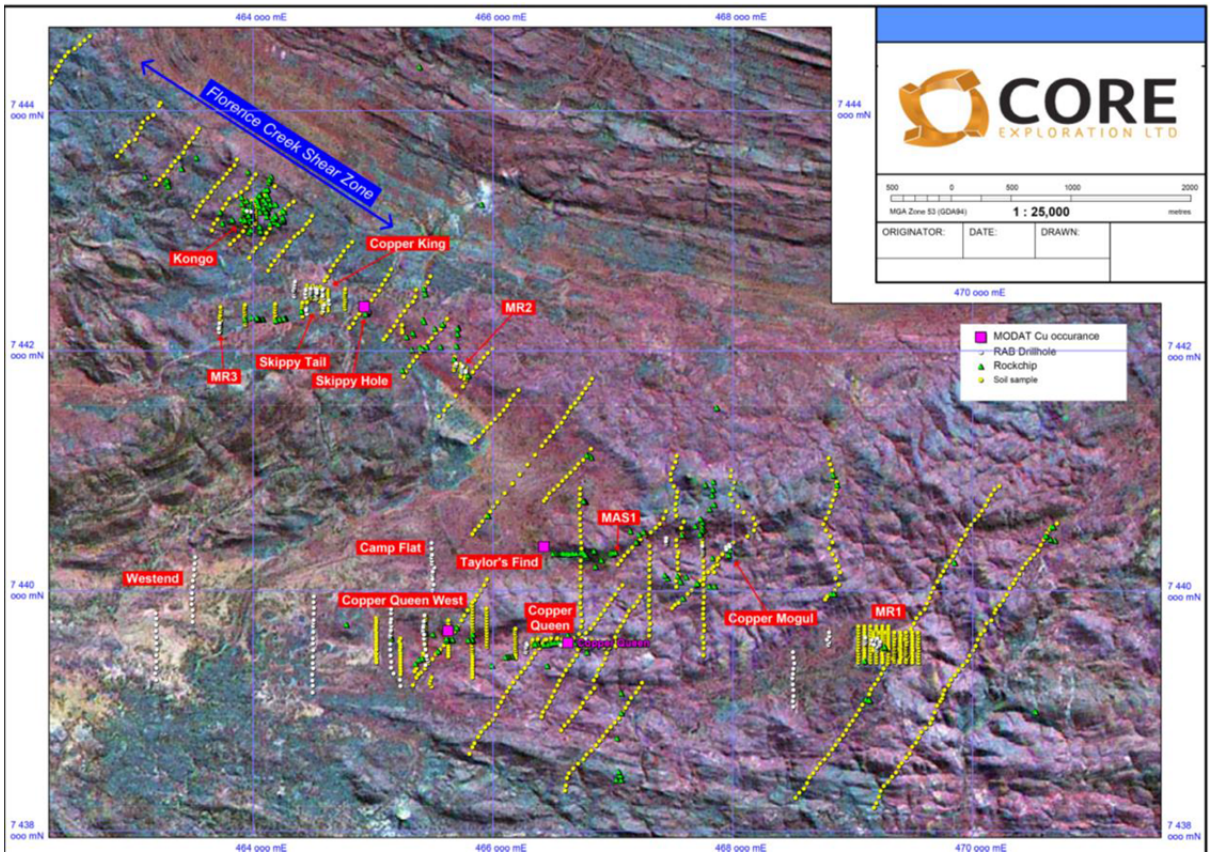

Figure 7: Multiple copper prospects and previous exploration in the Copper Royals District.

The Copper Queen prospect is locally underlain by calc-silicate gneiss, marble and bioite schist. Although the region is structurally complex, the general structural trend is east-west and shear zones are common. Quartz-carbonate veining may be associated with some mineralisation.

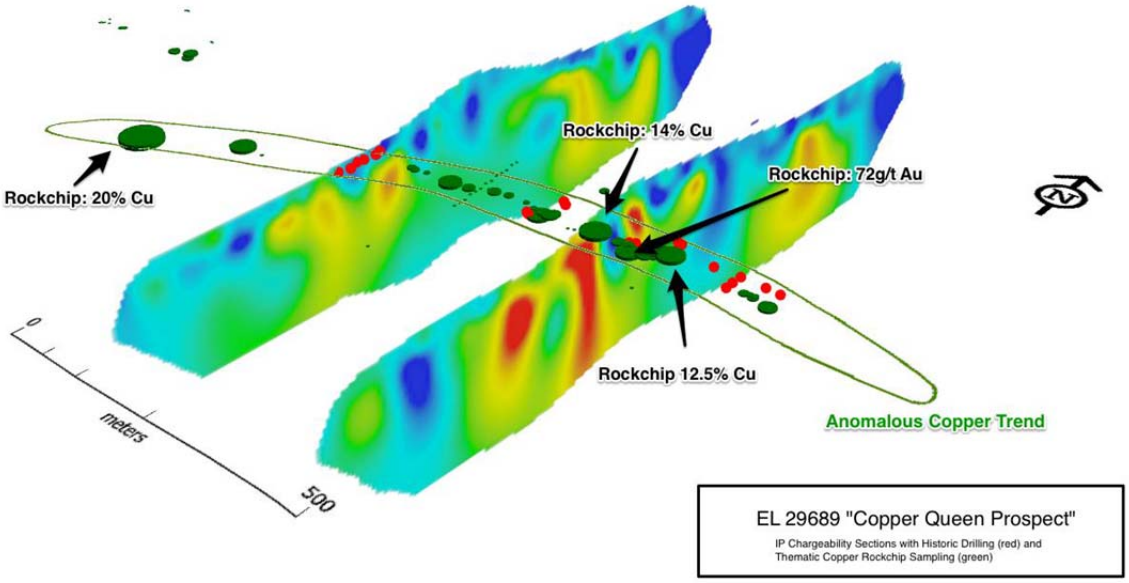

Figure 8: Copper Queen - Copper in rock chips (green), previous RAB drill collars (red) and IP chargeability sections.

Rock chips assays of up to 20% copper and up to 72.3 g/t gold at surface have been found at Copper Queen. 31 of the 195 recent and historical surface rock-chip samples assay more than 5% copper and 132 samples assay at or above 1% copper and average 2.0g/t gold grade (Figures 7 and 8).

Core's eastern IP line detected a significant vertical chargeable feature directly beneath the best outcropping copper mineralisation. Previous shallow RAB drilling in this area also intersected anomalous copper and gold intervals. (I think you should mention or at least show the previous drilling, the mineralised interval and how it relates to the IP target as it is very relevant) The western IP line has also identified a number of chargeable features associated with the copper horizon, but of less intensity to those on the eastern IP line (Figure 8).

Core is expecting drilling approvals ahead of commencing RC drilling at Copper Queen and potentially other priority prospects in the Copper Royals District.

Paradise Well Prospect, EL 27369, EL 29688 & EL 28546 NT

(CXO 100%)

Further reconnaissance work has been undertaken at the Paradise Well Project. Mapping and rock chip sampling has found outcrop grading up to 8.9% copper at the newly identified Jay prospect (Figure 9).

Core's geologists were following up on a copper in soil anomaly identified by the Company's recent soil survey, overlying a 2km long "J" shaped magnetic feature in the Greater Paradise Well area, when they found malachite and azurite (copper minerals) replacing primary sulphides at the northern end of the target.

The same host rock, a coarse grained garnet gneiss ± iron oxide altered granite, was also associated with similar copper mineralisation found 1.5km to the south, near the hinge of the connecting magnetic "J" feature (Figure 9).

The coincident magnetic feature, copper in soil and mineralised outcrop at the Jay Prospect is due to a magnetic amphibolite that is in contact with the malachite bearing coarse-grained garnet gneiss.

Further reconnaissance mapping 200m east of the northern end of the Jay Prospect (North Jay Prospect (Figure 10) also identified malachite and azurite bearing veins in a fine grained granitic unit consistently occurring in a 200 × 50m area. This location has been called the Manny Prospect. Manny is located on a NW crosscutting, non-magnetic feature.

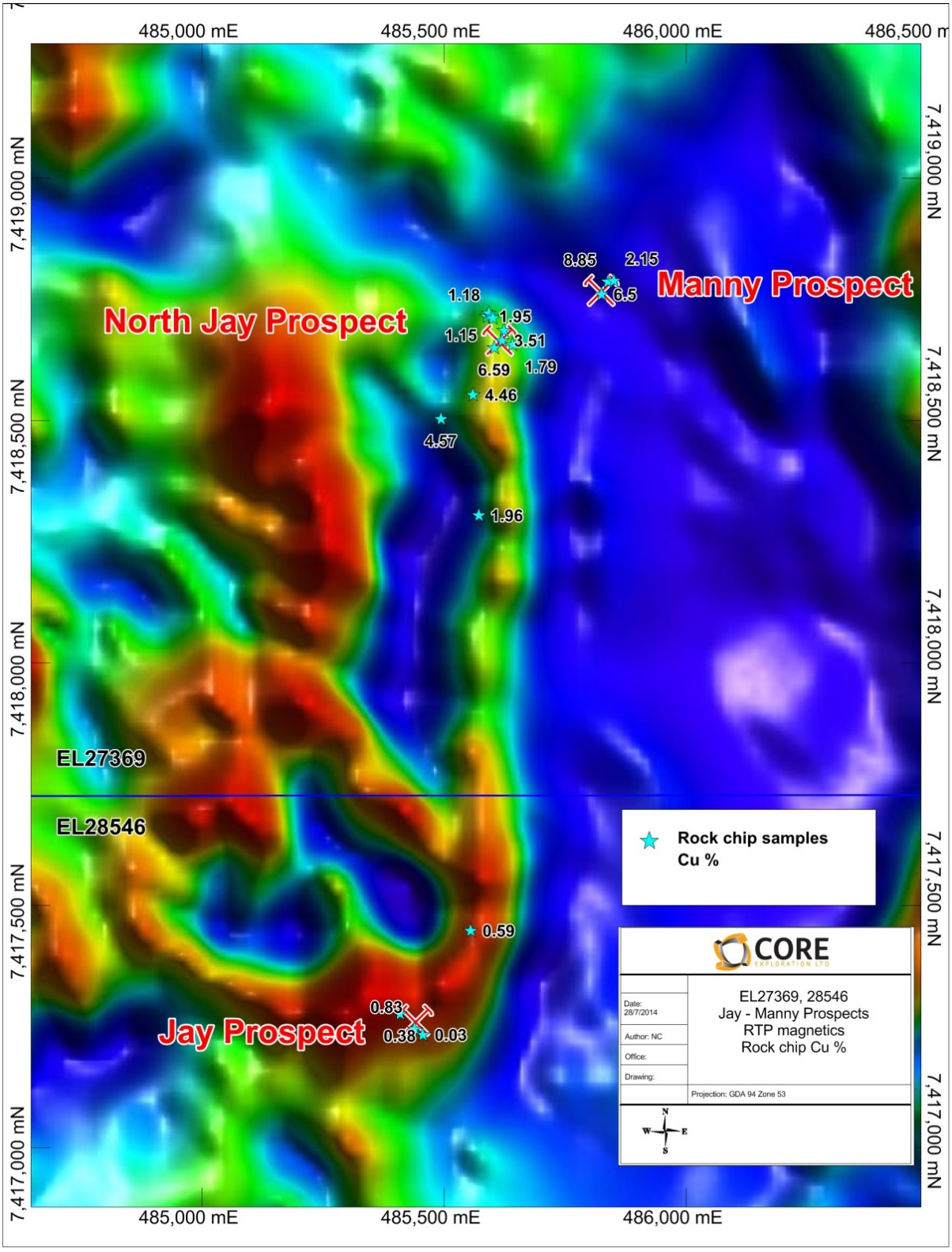

Figure 9: All copper rock-chip assays overlain on magnetics, Jay and Manny Prospects – Paradise Well Project.

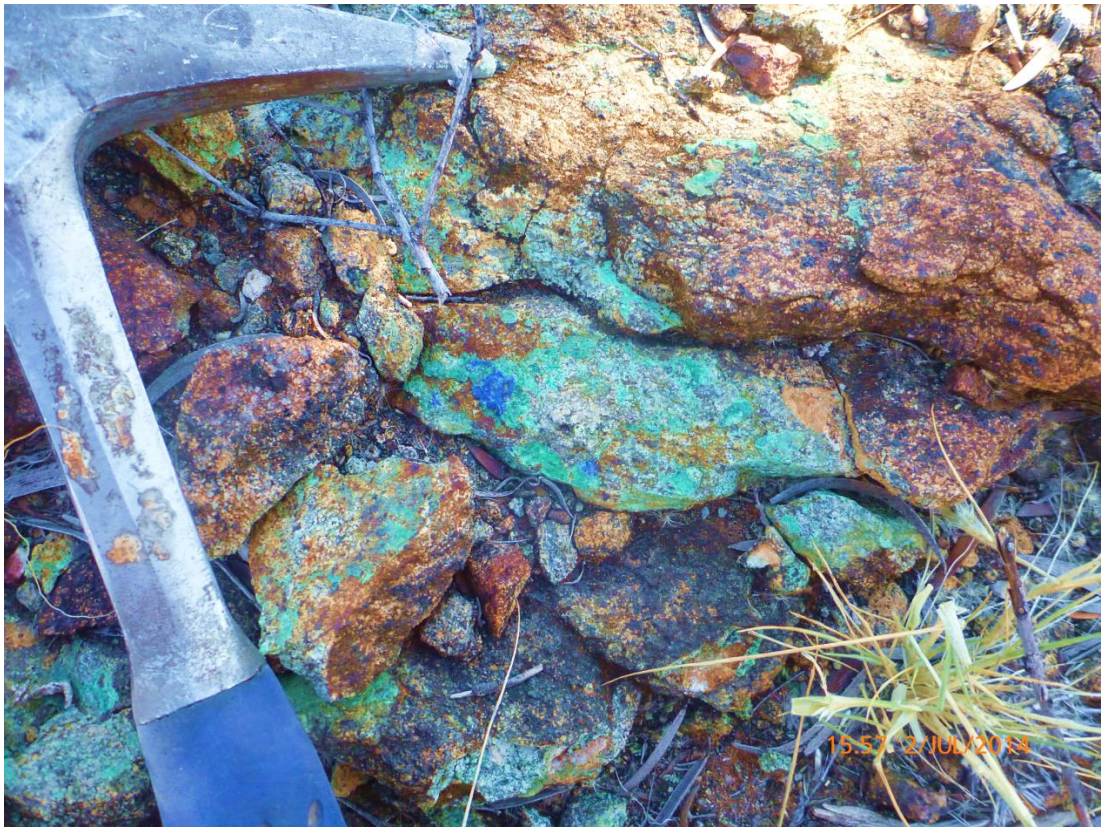

Figure 10: Azurite (blue) and malachite (green) copper mineralisation in outcrop Jay Prospect NT.

Roxby Project, EL 4816; EL 4906 South Australia

(CXO 100%)

Core's Roxby project covers a large prospective area only 10km from BHP Billiton's Wirrda Well IOCG project and is one of the few independent projects covering the highly prospective geology between BHPB's Olympic Dam mine and its Wirrda Well project and Oz Minerals' Carrapateena and Khamsin projects.

Core collected 250m-spaced gravity and 100m-spaced heli-magnetics / 256 channel radiometrics over the Heaton Hill Prospect (EL 4906) during the Quarter (Figure 11).

Core continued discussions during the reporting period with potential partners to co-fund exploration and development of this project.

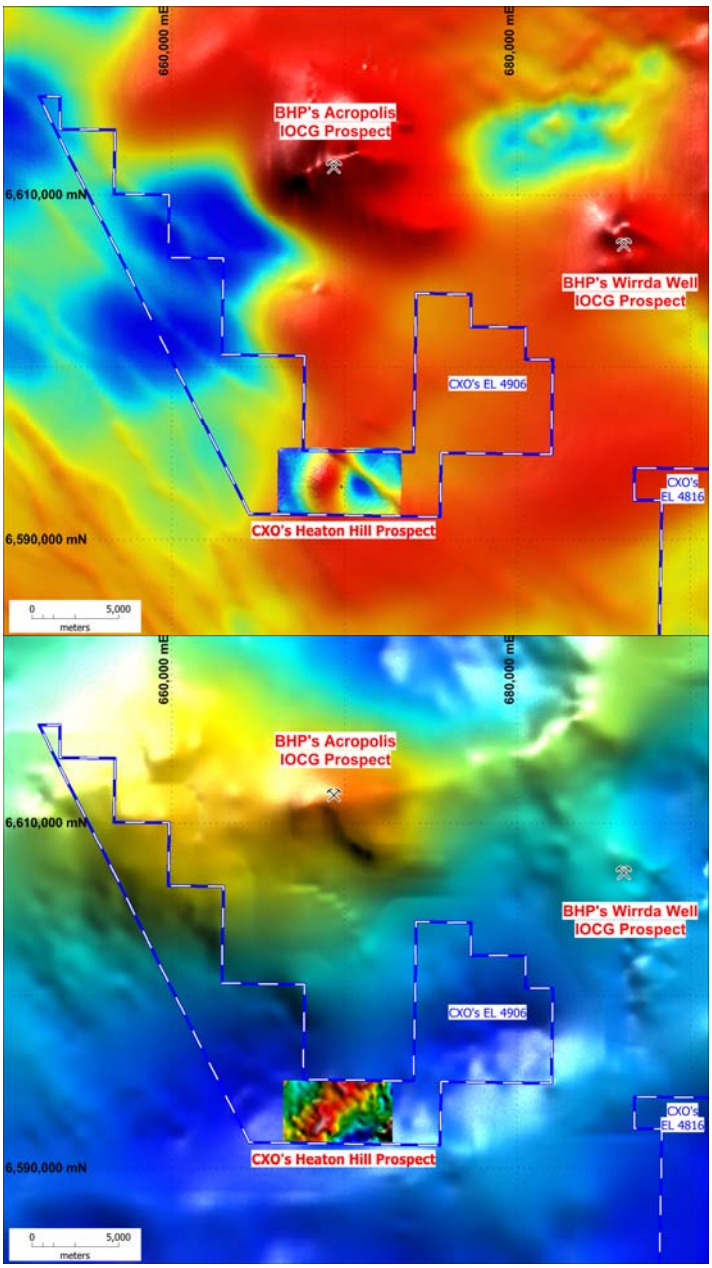

Figure 11: BHP's IOCG prospect locations and new Heaton Hill Prospect Residual Gravity (below) and TMI Magnetics (top) overlain on regional magnetic and gravity image, SA.

Yerelina Project, EL 5015 South Australia

(CXO 100%)

Dr. Roger Taylor undertook petrological analysis of nine rock-chip samples from Great Gladstone, East Great Northern and Emily prospects at Yerelina during the quarter. The samples were characterised with assemblages of argentiferous galena, sphalerite, chalcopyrite and pyrite associated with siderite and iron-oxide alteration overprinting host meta-siltstones. Taylor considered Yerelina is analogous with the silver-rich Coeur d'Alaine district in Idaho.

Corporate

CASH POSITION

Core had $1.27 million cash on hand at the end of the September Quarter.

Exploration and evaluation expenditure by the Company during the September 2014 quarter was $360,000.

CHANGE OF TENEMENT INTEREST

There were no changes to Core Exploration tenement interest during the September 2014 quarter.

Subsequent to the end of the quarter, the Company completed the acquisition of tenements in its larger Albarta Project that covers over 2,000km^2 in Australia's newest exploration province, 100km NE of Alice Springs in the Northern Territory. The tenements impacted by the purchase are:

- **JV1** - EL 29280, EL 28852, EL 28853, EL 28854, EL 29304, EL29347, EL29389, EL29512 and EL 29514
- **JV2** - EL 27369, EL 27709, EL 28029, EL 28136 and EL 28546

Core now holds a 100% interest in all of its tenements in SA and NT.

SHARE CAPITAL CHANGES

The Company raised $1 million by issuing 18,181,818 ordinary shares during the quarter at a price of 5.5 cents per share. The shares were issued on 22 August under a placement to professional, sophisticated and institutional investors.

A summary of movements and balances of equity securities between 1 July 2014 and this report are listed below:

	Ordinary Shares	**Listed Options**	**Unlisted options**	**Unlisted Performance rights**
On issue at start of quarter	106,800,740	32,720,296	2,700,000	9,000,000
Securities issued during the quarter				
Share issued via placement	18,181,818			
Securities issued after the quarter				
Share issued on acquisition of tenements	10,000,000			
Exercise of unlisted performance rights	500,000			(500,000)
Issue of unlisted performance rights und unlisted options as remuneration			200,000	800,000
Exercise of quoted options	3,729	(3,729)		
Total securities on issue at the date of this report	**135,486,287**	**32,716,567**	**2,900,000**	**9,300,000**

Outlook – December 2014 Quarter

Northern Territory

Albarta,

Core is currently in the process of establishing a Research in Business Incentive (RiB) study with CSIRO. Part of this scientific study will focus on in-depth analysis and modelling all available datasets covering the Albarta tenure. This innovative approach will seek to discriminate new target areas with prospectivity to host economic ore bodies.

Blueys and Inkheart Silver Project

Assays are still pending from the recent second round of drilling but full review and interpretation will be conducted on their receipt.

Jervois

Preliminary results of the VTEM surveys are expected by late October with final results released later in Q4-2014.

A detailed study of Jervois including high-level inversion processing of the new VTEM data will be undertaken by CSIRO as part of the RiB Study that is currently being finalised. This study will include analysis of other existing datasets and correlation with known mineralisation at Jervois. A substantial drilling program at Jervois is scheduled for early 2015.

Virginia, Copper Queen and Copper Royals

Land access approvals are expected this current quarter to enable RC drilling of copper targets at Virginia, Coper Queen and potentially other copper prospects in the Copper Royals district.

Tenement number	Tenement name	Beneficial Interest at the end of the Quarter	Changes during Quarter
South Australia			
EL 5320	Yorke Peninsula	100%	None
EL 4569	Fitton	100%	None
EL 4816	Horse Well	100%	None
EL 5015	Yerelina	100%	None
EL 4906	Roxby Downs	100%	None
EL 5167	Dalarinna Hill	100%	None
EL 5193	Cardning	100%	None
EL 5192	Calcutta	100%	None
EL 5375	Billy Springs	100%	None
Northern Territory			
EL28940	Mordor	100%	None
EL29579	Jervois	100%	None
EL29580	Jervois	100%	None
EL29581	Jervois	100%	None
EL29667	Riddoch	100%	None
EL29668	Riddoch	100%	None
EL29669	Jervois	100%	None
EL29687	Laughlen	100%	None
EL29688	Riddoch	100%	None
EL29689	Riddoch	100%	None
EL27369	Mt Russell	100%	None
EL27709	Pattersons	100%*	None
EL28029	White Range East	100%*	None
EL28136	Blueys	100%*	None
EL28546	Star Creek	100%*	None
EL28852	Gough Dam	100%*	None
EL28853	No 1 Tank	100%*	None
EL28854	Mt Johnstone	100%*	None
EL29280	Woolgathering	100%*	None
EL29304	Brumby Dam	100%*	None
EL29347	Yambla	100%*	None
EL29389	Mt George	100%*	None
EL29512	Daicos	100%*	None
EL29514	Mt Emma	100%*	None

**Subject to Ministerial Consent*

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Biggins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The report includes results that have previously been released under JORC 2012 by Core. The Company is not aware of any new information that materially affects the information included in this announcement:

21/10/2014 Additional silver lead mineralisation discovered at Inkheart
15/10/2014 Jervois Domain airborne electromagnetic (AEM) survey underway
20/08/2014 Large prospective zone defined in Jervois area Airborne electromagnetic (AEM) surveys to develop drill targets
11/08/2014 Soil sampling unearths 8.9% copper within new 2km magnetic target at Albarta Project
30/07/2014 IP copper drill targets identified at Copper Queen Prospect Albarta Project, NT

Referenced reports by KGL include
15/09/2014 Jervois Resource Update
21/07/2014 Further Jervois results inc. 11.55% copper and 55.7g/t silver. Near Surface high grade copper at Bellbird deposit at Jervois

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Core Exploration Ltd

ABN	Quarter ended ("current quarter")
80 146 287 809	30 September 2014

Consolidated statement of cash flows

	Cash flows related to operating activities	Current Quarter (3 Months) $A'000	Year to date (3 Months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) exploration and evaluation	(360)	(360)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(223)	(223)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	11	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received – R&D refund	296	296
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(276)	(276)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(63)	(63)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(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	(63)	(63)
1.13	Total operating and investing cash flows (carried forward)	(339)	(339)

1.13	Total operating and investing cash flows (brought forward)	(339)	(339)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares	1,000	1,000
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 (provide details if material)		
	- Capital raising costs	(70)	(70)
	Net financing cash flows	930	930
	Net increase (decrease) in cash held	591	591
1.20	Cash at beginning of quarter/year to date	683	683
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	1,274	1,274

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	130
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 amount above includes all payments to Directors and also includes payments to entities associated with Greg English, Stephen Biggins and Michael Schwarz. The payments relate to executive services and directors fees on 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

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

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	650
4.2	Development	-
4.3	Production	-
4.4	Administration	190
	Total	**840**

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	1,234	643
5.2	Deposits at call	40	40
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: Cash at end of quarter (item 1.22)	1,274	683

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	Nil			
6.2	Interests in mining tenements acquired or increased	Nil			

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 (cents)	Amount paid up per security (cents)
7.1	**Preference⁺securities** *(description)*				
7.2	Changes during quarter				
7.3	**⁺Ordinary securities (CXO)**	124,982,558	124,982,558		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	18,181,818	18,181,818	5.50	5.50
7.5	**⁺Convertible debt securities** (*description)*				
7.6	Changes during quarter				
7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
	Unlisted options				
	Unlisted Options (CXOAO)	1,500,000	-	24.63	31 Oct 2014
	Unlisted Options (CXOAQ)	200,000	-	7.50	31 Oct 2015
	Unlisted Options (CXOAQ)	1,000,000	-	10.00	31 Oct 2015
	Total unlisted options	**2,700,000**	-		
	Total listed options (CXOO)	32,720,296	32,720,296	10.00	31 Oct 2014
	Total unlisted performance rights (CXOAK)	9,000,000	-	-	31 Dec 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
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.

Jaroslaw (Jarek) Kopias Date: 24 October 2014

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 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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