White Cliff Minerals LTD

Quarterly Report - Activities

for the quarter ended 30 June 2016

Highlights

- **Diamond Drilling Commences at Aucu Gold project**
- **Extensive Soil Geochemistry Program Conducted over Ironstone Gold Prospect**
- **Lithium Joint Venture Commenced**
- **Oversubscribed placement raises $2.64 million**

Summary

Kyrgyz Republic Exploration – Aucu Gold Project
During the June quarter the Company commenced diamond drilling at the Aucu Gold deposit in Central Asia, targeting the high grade extension of the Upper Gold Zone. At the date of this report six diamond drill holes (1,074 metres) have been completed of the planned initial 5,000 metre program. Assay results will be reported as they become available. Additional surface mineralised zones identified from bulldozer cuttings.

Western Australian Exploration -Gold Projects
Extensive soil geochemical sampling programs have been completed at multiple prospects within the Merolia project. A total of 1,979 samples have been collected at the Ironstone gold prospect, north and south of the Comet Well Gold Trend and at Burtville East. Assay results will be reported as they become available.

Further soil geochemical sampling has also been conducted at the Ghan Well gold prospect which is immediately south of the Mt Morgan's Gold project near Laverton in WA and at the Bremer Range project near lake Johnston in Southern WA.

Western Australian Exploration -Nickel Projects
Further sampling of the nickel mineralisation (4 metres at 3% nickel within 12 metres at 2.18% nickel) identified at the Coglia nickel project Southeast of Laverton WA has been completed. While the interval is in the regolith profile and has been concentrated by weathering effects there is associated copper and PGE mineralisation that indicates a potential sulphide source. A total of 20 one metre intervals have been collected for assay and detailed mineralogical analysis.

Western Australian Exploration -Lithium Projects
The Company has entered a joint venture where Liontown Resources Limited can earn up to a 70% interest in the Lake Percy tenement for expenditure of $1.75 million. The main commodity of interest for this joint venture is Lithium. Additional Lithium project opportunities within the Company's tenement holding are being investigated.

Corporate
During the quarter, the Company successfully completed a $2.64 million placement to sophisticated and professional investors at 0.6 cents with a 1 for 4 free option exercisable at 1.5 cents on or before 15 December 2016.

Todd Hibberd
Managing Director
28 July 2016

1 The Aucu Gold Project, Central Asia (89%)[1]

During the June 2016 quarter the Company commenced diamond drilling to test the high grade eastern section of the Upper Gold Zone where the average grade of mineralisation intersected in the 2015 drilling was **45 g/t gold[1].**

The Company currently has two diamond drill rigs on site and to date has completed six diamond drill holes for **1,074** metres. Mineralised zones have been recognised in all holes and samples are currently being analysed. The rigs are currently drilling holes EGZ16-012 and EGZ16-018.

Table1 Drill holes completed

Hole ID	Depth (m)
EGZ16-002	150
EGZ16-003	224
EGZ16-007	150
EGZ16-008	150
EGZ16-011	150
EGZ16-013	150

The 2016 exploration program is focussed on drilling out the upper gold zone east (UGZE) along 800 metres of strike and up to 200 metres vertical depth. Drilling will initially be conducted in 100 metre spaced sections followed by 50 metre infill sections aimed to generate an indicated and inferred JORC compliant gold resource. The exploration target[2] for the UGZE in 2016 is 1-2 million tonnes at 15-30 g/t for 500,000 to 1.2 million ounces of gold. This exploration target is based on the average grade of existing drill intersections completed in the UGZE covering 500 metres of strike, 200 metres of depth with true widths of each lode between 1 and 4 metres.

[1] See ASX announcement "Fourth Hole with Bonanza Gold Grades of +1 Oz/t at Aucu Deposit" dated 7th December 2015
[2]The reader is cautioned that exploration targets are conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource

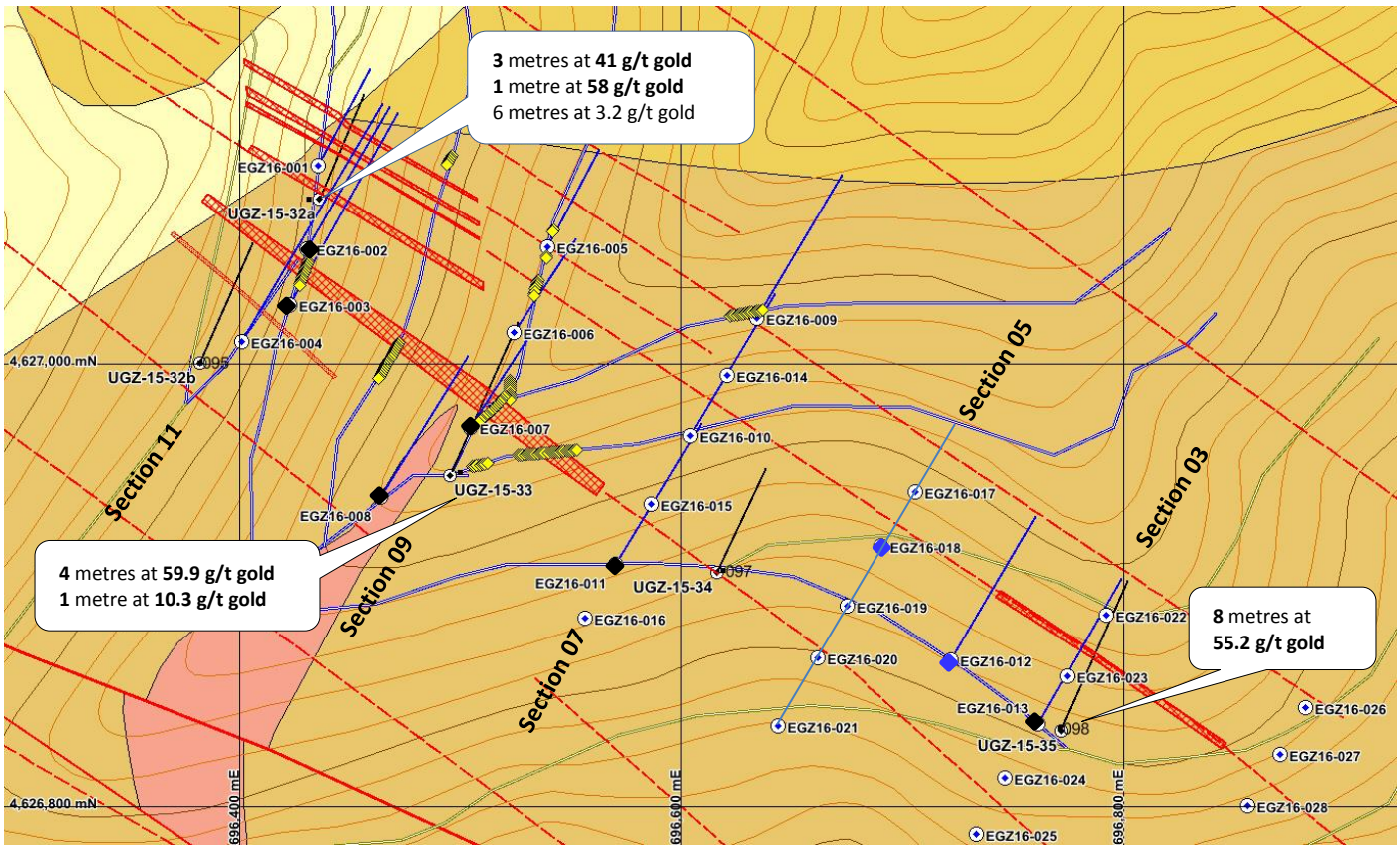


Figure 1 Interpreted and known mineralised zones (red hatch and dashed lines) at the highly mineralised upper gold zone where previous drilling identified mineralisation over 500 metres of strike with an average grade of 45 g/t. Blue lines are existing and planned bulldozer tracks. Completed holes (black diamonds), Holes in progress (blue diamonds), planned drill holes have EGZ prefix.

Since establishing the field camp in April bulldozer track access and drill pad activities have exposed several new surface mineralised zones which has further confirmed the lateral extent of the known mineralised occurrences.

Aucu Gold Deposit Summary

From an initial drill program in 2014 the Company previously announced a maiden inferred resource for the **Aucu** gold deposit above a cut-off grade of 1 g/t gold of **1.15 Million** tonnes grading **4.2 g/t gold** for **156,000 ounces** of contained gold.

In 2015, drilling identified exceptional gold mineralisation in the eastern section of the UGZ over a strike length of at least 500 metres. Results included:

- 8 metres at 55.2 g/t gold from 66 metres including 1 metre at 89.9 g/t gold;
- 4 metres at 59.9 g/t gold from 66 metres including 1 metre at 189 g/t gold;
- 2 metres at 43.5 g/t gold from 86 metres;
- 1 metre at 103.4 g/t gold from 74 metres;
- 3 metres at 41.4 g/t gold including 1 metre at 71 g/t gold;
- 4 metres at 23.8 g/t gold from 85 metres;
- 2 metres at 22 g/t gold from 102 metres; and
- 1 metre at 58 g/t gold.

The average grade of the gold intersections across the eastern UGZ was **45 g/t gold** from several parallel lodes. In addition:

- Mineralisation outcrops at surface;
- Remains untested in both directions and at depth;
- Overall metallurgical recovery of gold from all mineralised zones is 99%; and
- Gravity recoverable gold averages 88.6% (gold that reports to the gravity concentrate).

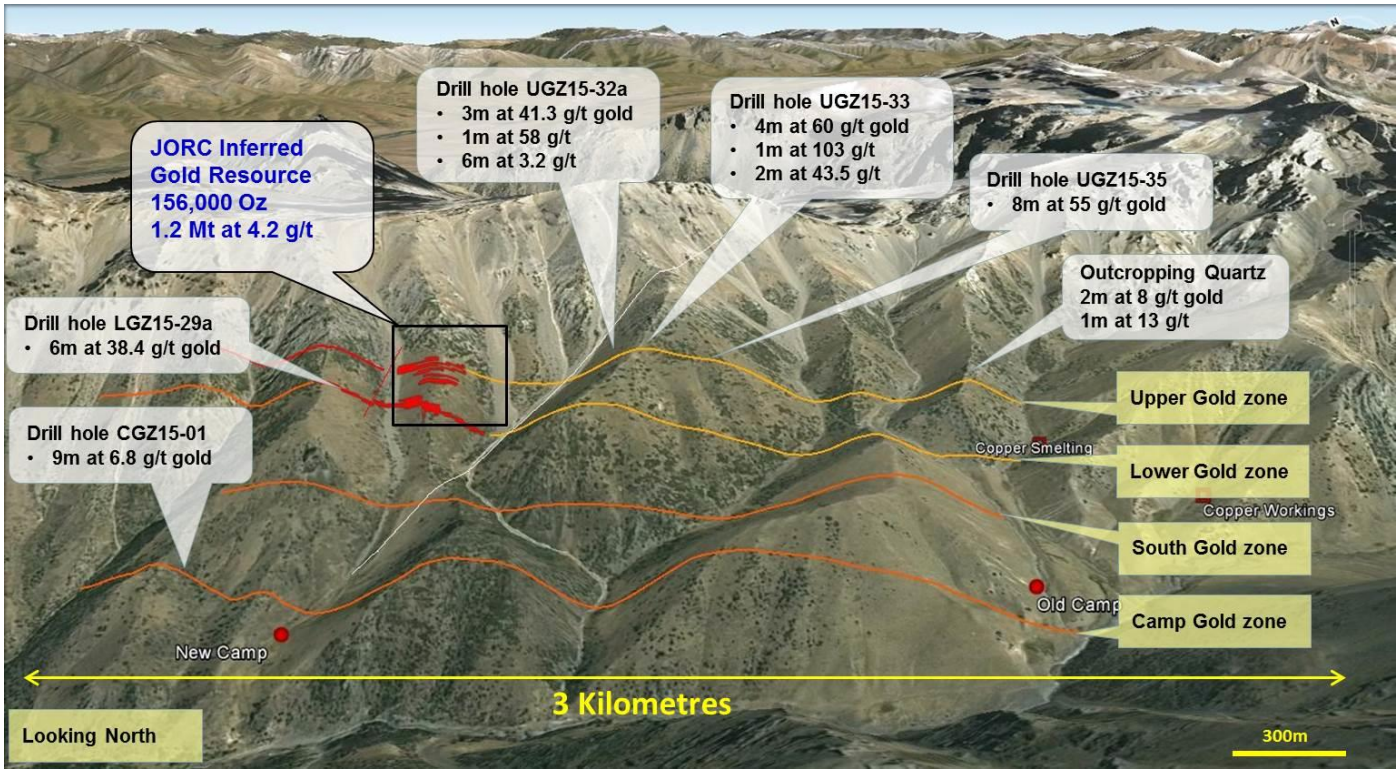


Figure 2 Sub-aerial view of the Aucu gold system showing the four mineralised zones and high grade drilling intersections.

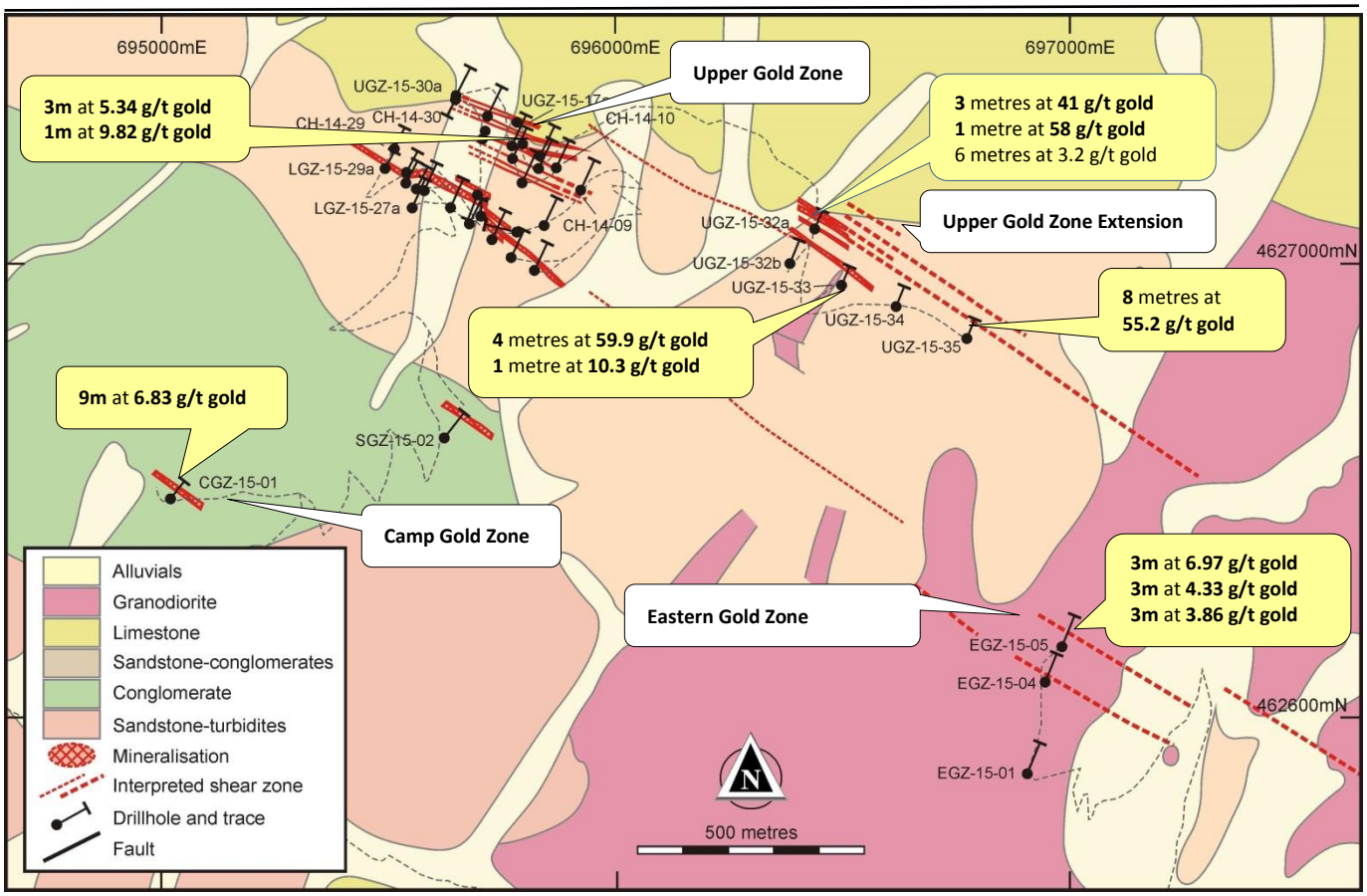
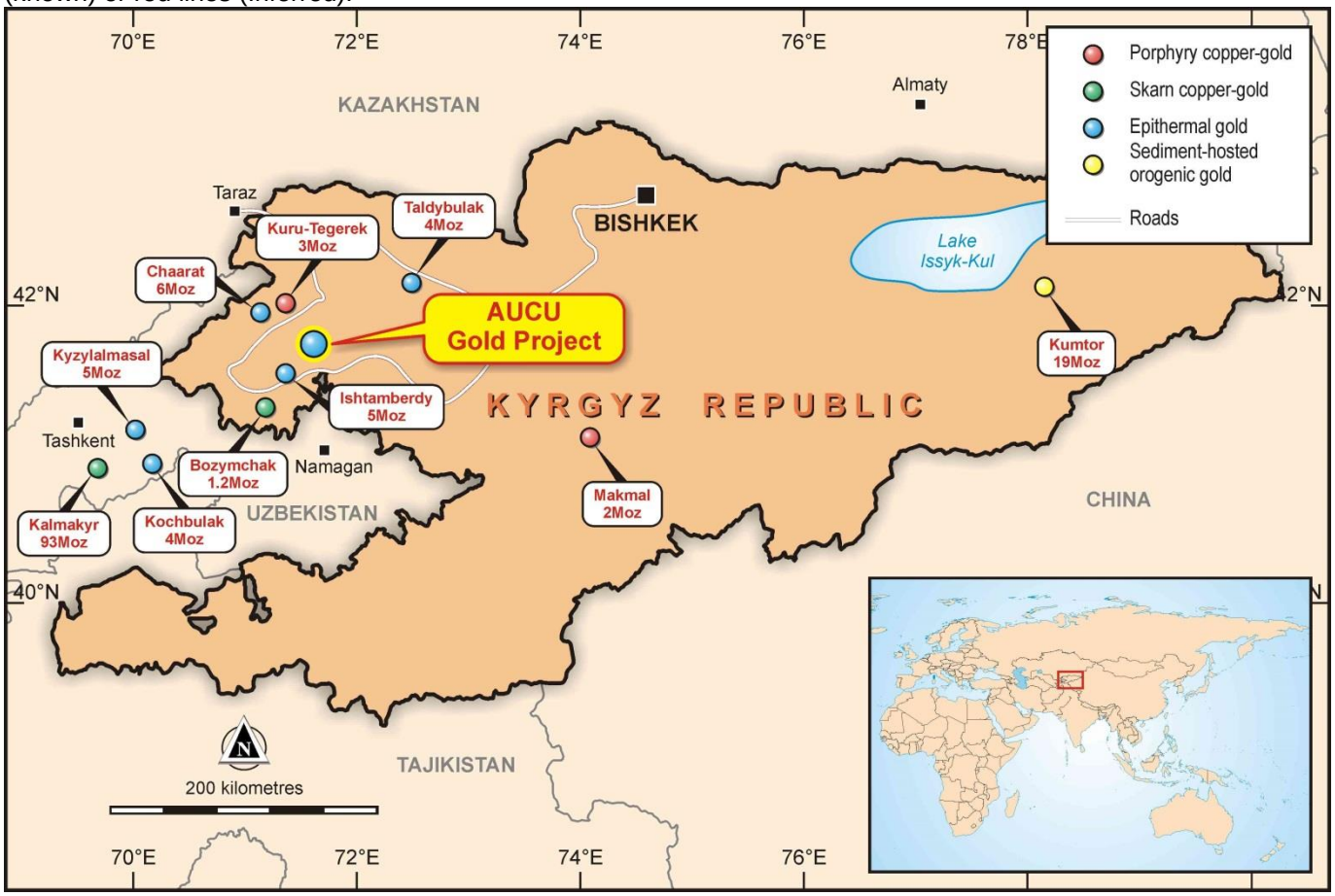
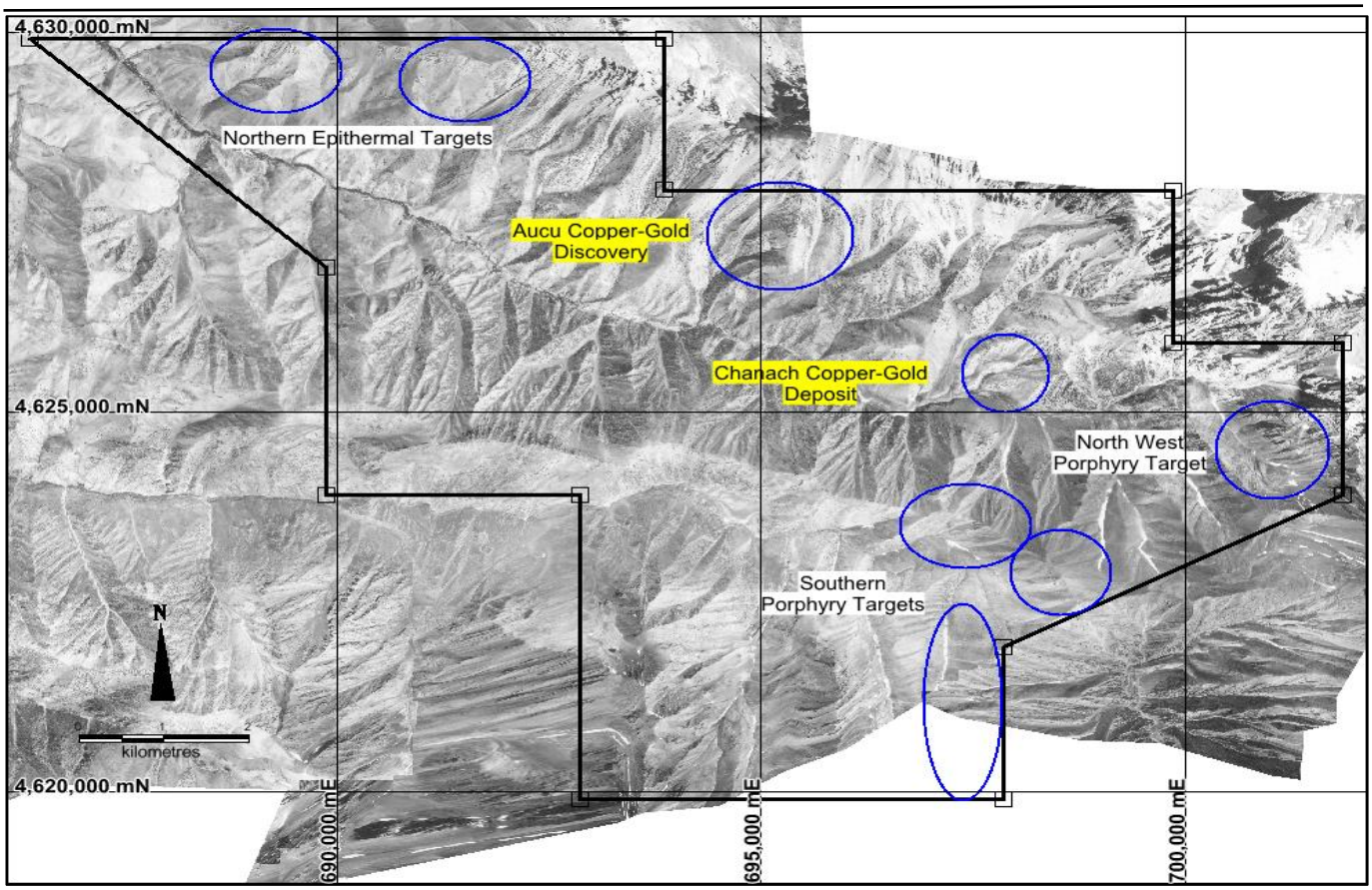


Figure 3 Aucu Gold deposit showing drilling locations. Mineralised zones are depicted by red hatched areas (known) or red lines (Inferred).



Location Map: Northwest Kyrgyz Republic, Central Asia



Project Map: showing Chanach license outline and location of the Aucu gold discovery 2.5 km to the NNW of the original Chanach copper deposit.

2 Merolia Gold and Nickel Project (100%)[1]

During the June quarter the Company conducted an extensive soil sampling campaign to test multiple gold targets at the Ironstone, Comet Well and Burtville East prospects within the Merolia project, immediately southeast of Laverton, Western Australia (Figure 4).

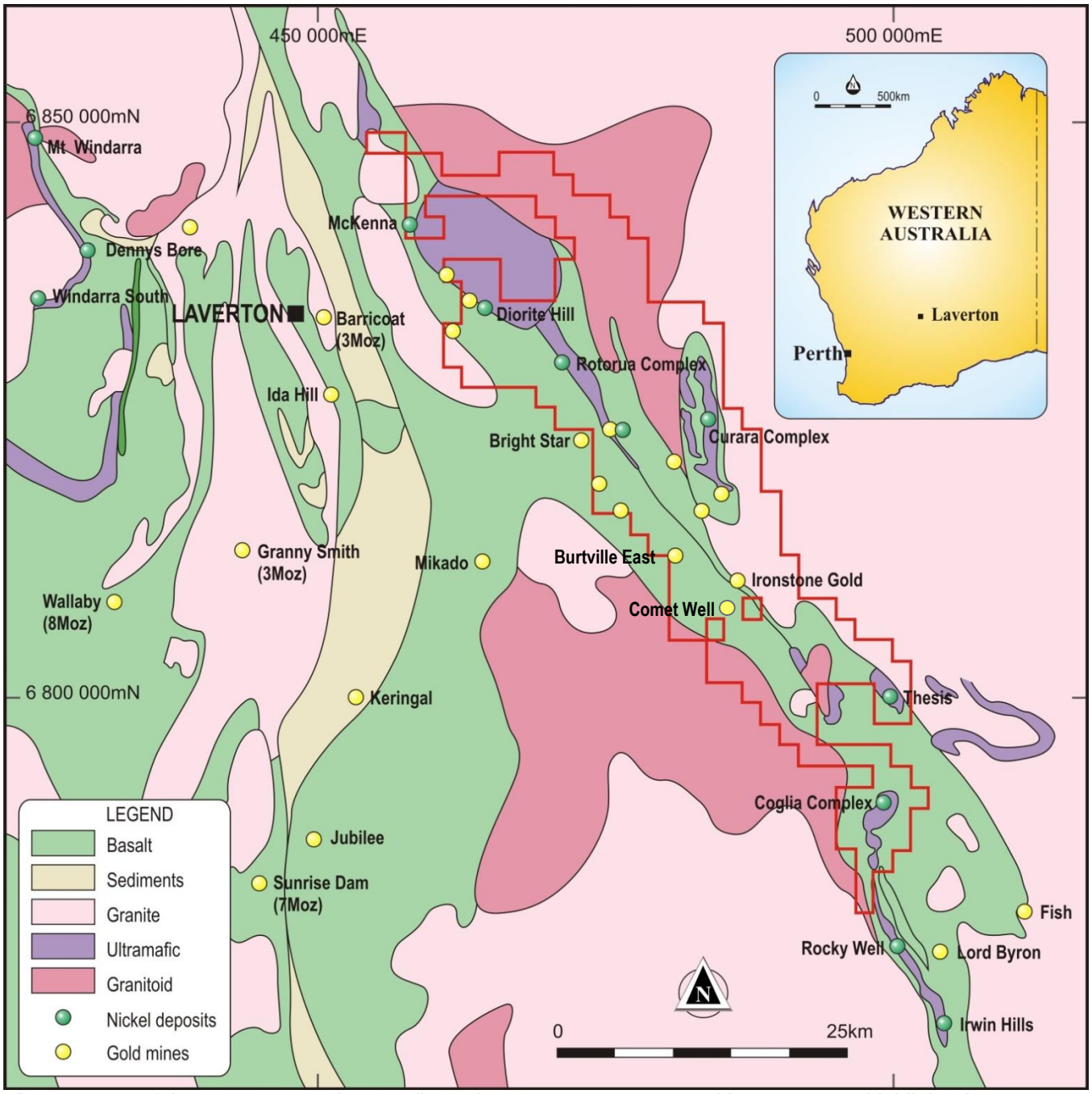


Figure 4 Map of the tenements at the Merolia Project near Laverton WA, with target areas highlighted.

Ironstone Gold Prospect (100%)

Following a successful drilling campaign in January 2016, where significant gold mineralisation was identified at the Ironstone gold prospect, the Company has conducted follow up soil sampling during the June quarter to test for both strike extensions and parallel mineralised structures prior to further drilling.

A total of 407 soil geochemical samples have been collected on a 25 metre by 25 metres grid over the known gold mineralisation and on a 50 metre by 50 metre grid north of the known mineralisation. Assay results will be reported as they become available.

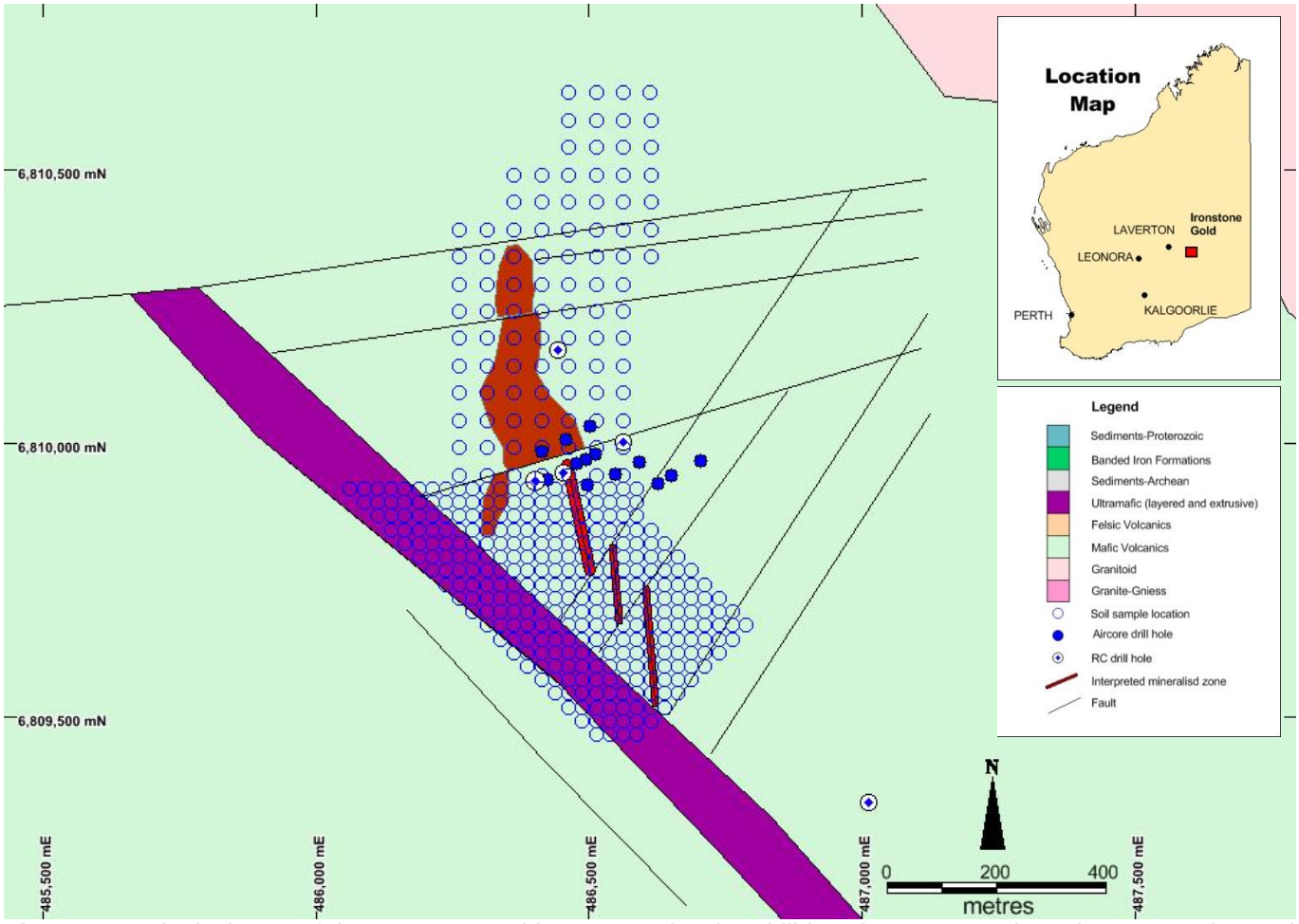


Figure 5 Geological map of the Ironstone Gold prospect showing drill locations, untested southern extension and soil sampling locations.

Ironstone Gold Background

Drilling in January 2016 (five holes for 910 metres) intersected mineralised zones of shearing and quartz veining within basalts in the target zones (Figure 5). Gold mineralisation was identified in the main target zone with hole IRRC003 intersecting 12 metres at 1.85 g/t gold from 116 metres. New sampling and testing of quartz veins in diamond hole CWD003 intersected **4.5 metres at 5.5 g/t gold** from 119 metres including 0.28 metres **at 24 g/t gold** and 1 metre at 4.2 g/t from 175 metres (Figure 2). A total of five holes for 910 metres of drilling (IRRC001-005) have been completed at the Ironstone gold prospect.

The drilling successfully confirmed that significant gold mineralisation is present within the widespread structural alteration system and further exploration will be directed at identifying those parts of the system where a change in strike direction or an intersection with other faults is likely to open up dilation zones resulting in substantial mineralisation.

Analysis of the diamond core indicates that high grade mineralisation is related to zones of intense quartz-carbonate veining within a halo of lower grade mineralisation. In addition, structural measurements indicate that the shear zone is sub-vertical and striking north to NNW. The mineralised zone is open to the south-SSE and appears to plunge to the south.

Historical drilling targeted the mineralisation further to the east missing the main prospective zone which is completely untested for at least 500 metres. Sub-audio magnetic geophysics conducted over the prospect indicates that the mineralised structures are offset by faulting (Figure 5).

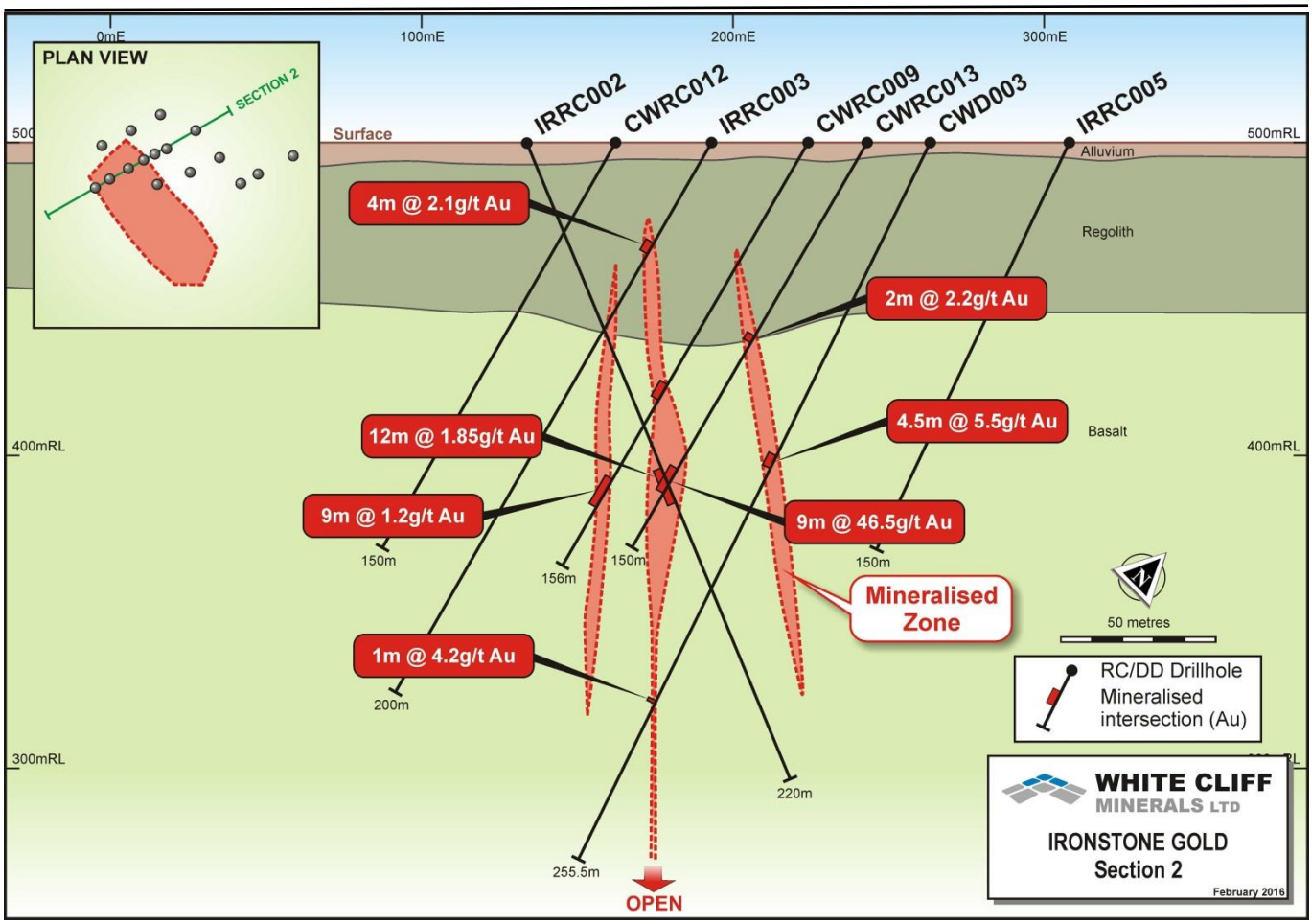


Figure 6 Cross section showing mineralised lodes, open at depth and to the south.

Regional Gold Mineralisation-Comet Well Trend (100%)

During the June quarter the Company also conducted soil geochemical sampling programs over the Comet Well gold trend and along its strike to the north and south. Key prospects sampled were the Comet Well nugget trend (north and south) and Burtville East.

A total of 1,572 samples were collected on grid spacing of 100 metre lines and 50 metre spaced samples. Assay results will be reported as they become available.

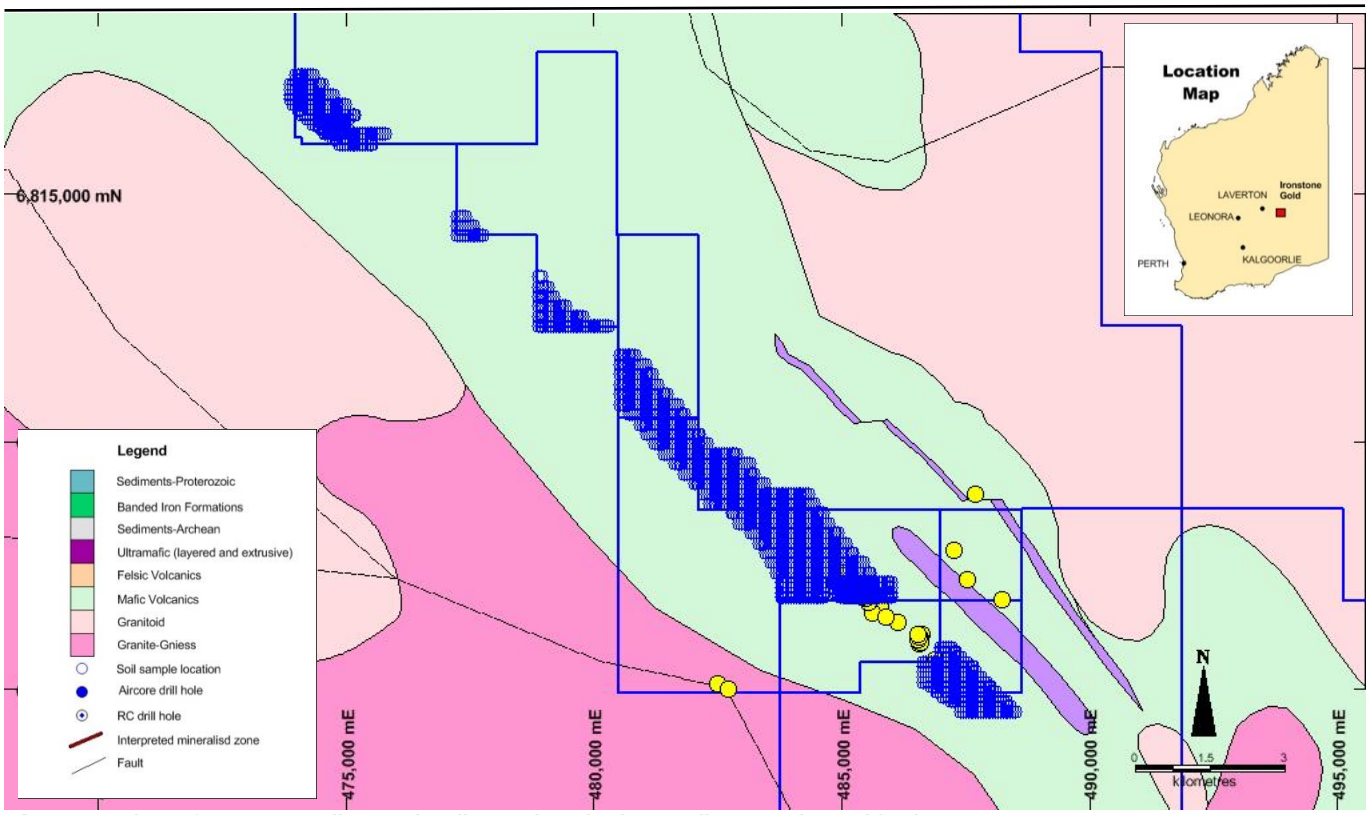


Figure 7 Plan of Comet Well Trend soil geochemical sampling conducted in the June Quarter 2016

Comet Well Background

The Company reported the **discovery of gold nuggets** within the regional Ironstone Gold prospect in February 2016. Detailed metal detecting identified a significant number of **gold nuggets** at surface over a 3 kilometre long trend (the Comet Well trend) that coincides with a major regional fault structure. The nuggets were located by prospectors operating under a formal tribute agreement with the Company. Recent prospecting by the tribute group has identified visible gold from a 2 metre deep pit occurring adjacent to a quartz vein where 4 ounces of gold has been recovered (Figure 8). Along the 3 kilometre trend a total 40 ounces of gold has been recovered with the largest nugget weighing 20 grams.

Figure 8 Gold nuggets recovered by prospectors within the Company's tenement package

Evaluation of the regional magnetic data over the Ironstone gold project has identified several NW-SE trending shear systems that have the potential to host substantial gold mineralisation (Figure 9). The Comet Well trend and associated regional structures extend at least 30 kilometres north to the A1 Minerals Bright Star deposit and only limited historical exploration has been undertaken over these structures.

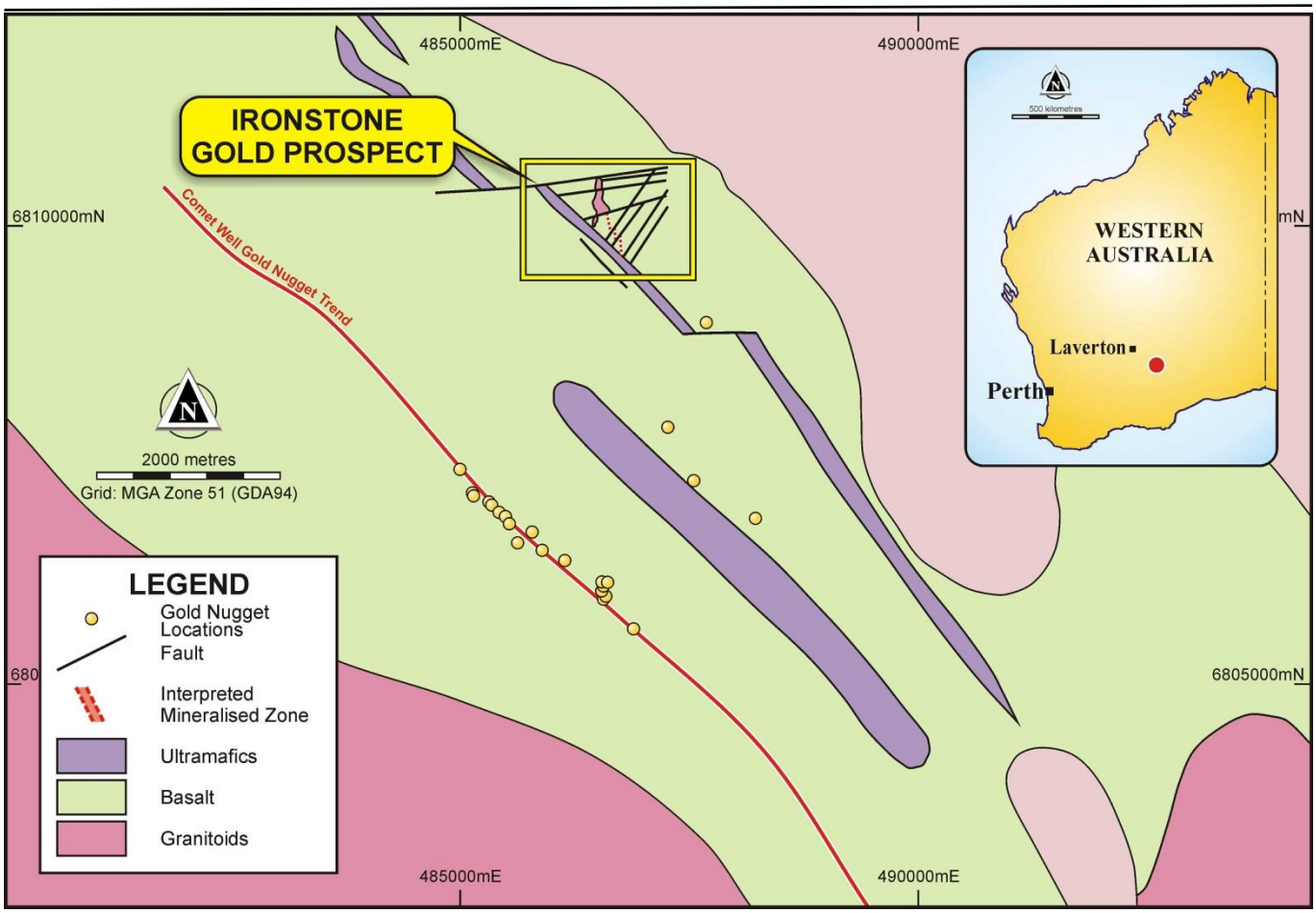


Figure 9 Regional geology map showing the 3 kilometre long Comet Well gold nugget trend identified to date.

Coglia Nickel Sulphide Prospect (100%)

During the June quarter the Company collected one metre samples from the drill interval containing 4 metres at 3% nickel identified in hole MERC004 completed in the March quarter. The Company considers the nickel intersection of 4 metres at 3% nickel is likely to be derived from a sulphide source and is conducting further analysis including mineralogical and petrological studies. The samples have been submitted for analysis for nickel, base metals, gold and platinum group elements. Assay results will be reported as they become available.

As previously reported MERC004 was drilled to 250 metres depth and tested a strong nickel-copper-platinum-palladium geochemical anomaly within the Coglia ultramafic intrusion. Drilling encountered a strongly enriched ultramafic regolith profile containing 4 metres at 3% nickel within 12 metres at 2.18% nickel. The mineralised intervals are summarised below:

- **4 metres at 3% nickel**, 164ppm copper, 6ppb Platinum + Palladium, 0.50% chrome, 617ppm cobalt and 865ppm zinc within;

- 12 metres at 2.18% nickel, 181ppm copper, 27ppb Pt+Pd, 0.57% chrome, 604ppm cobalt, 536ppm zinc.

The nickel and copper mineralisation has been concentrated as a result of weathering and supergene enrichment processes but is interpreted to be derived from magmatic nickel sulphides concentrated in the underlying ultramafic sequence due to crystal fractionation.

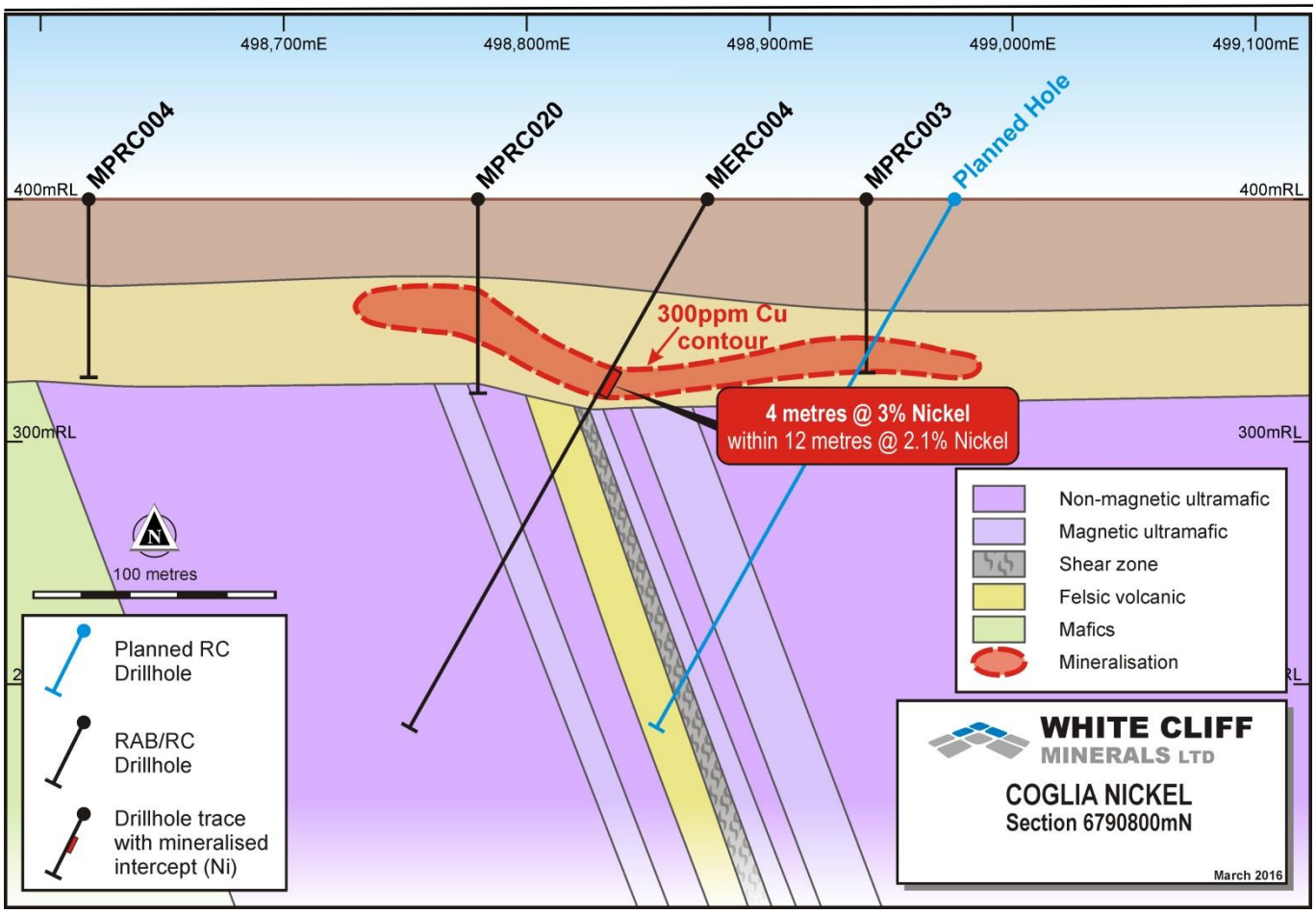


Figure 10 Cross section showing the mineralised zone encountered in drill hole MERC004

Platinum and Palladium Results

The February 2016 drill program also revealed highly anomalous zones of platinum (Pt) and palladium (Pd) in the fresh ultramafic providing diagnostic evidence that the Coglia ultramafic unit is particularly prospective for nickel sulphide mineralisation. Platinum group elements partition strongly into the sulphide phase during the crystal fractionation process and the levels present in the Coglia ultramafic demonstrate that a sulphide phase is present. The results include:

- 30 metres at 240ppb Pt+Pd from 224 metres
- 16 metres at 87 ppb Pt+Pd from 184 metres
- 12 metres at 150 ppb Pt+Pd from 144 metres

The Company considers these sequences to be exceptionally prospective for nickel sulphide accumulations.

The Coglia ultramafic is 7 kilometres long and 1500 metres wide and consists of fractionated series of ultramafic intrusive units. There are potentially several prospective horizons and further petrological and compositional studies are required to determine the best exploration approach. The Company will engage specialist consultants to assist with this work.

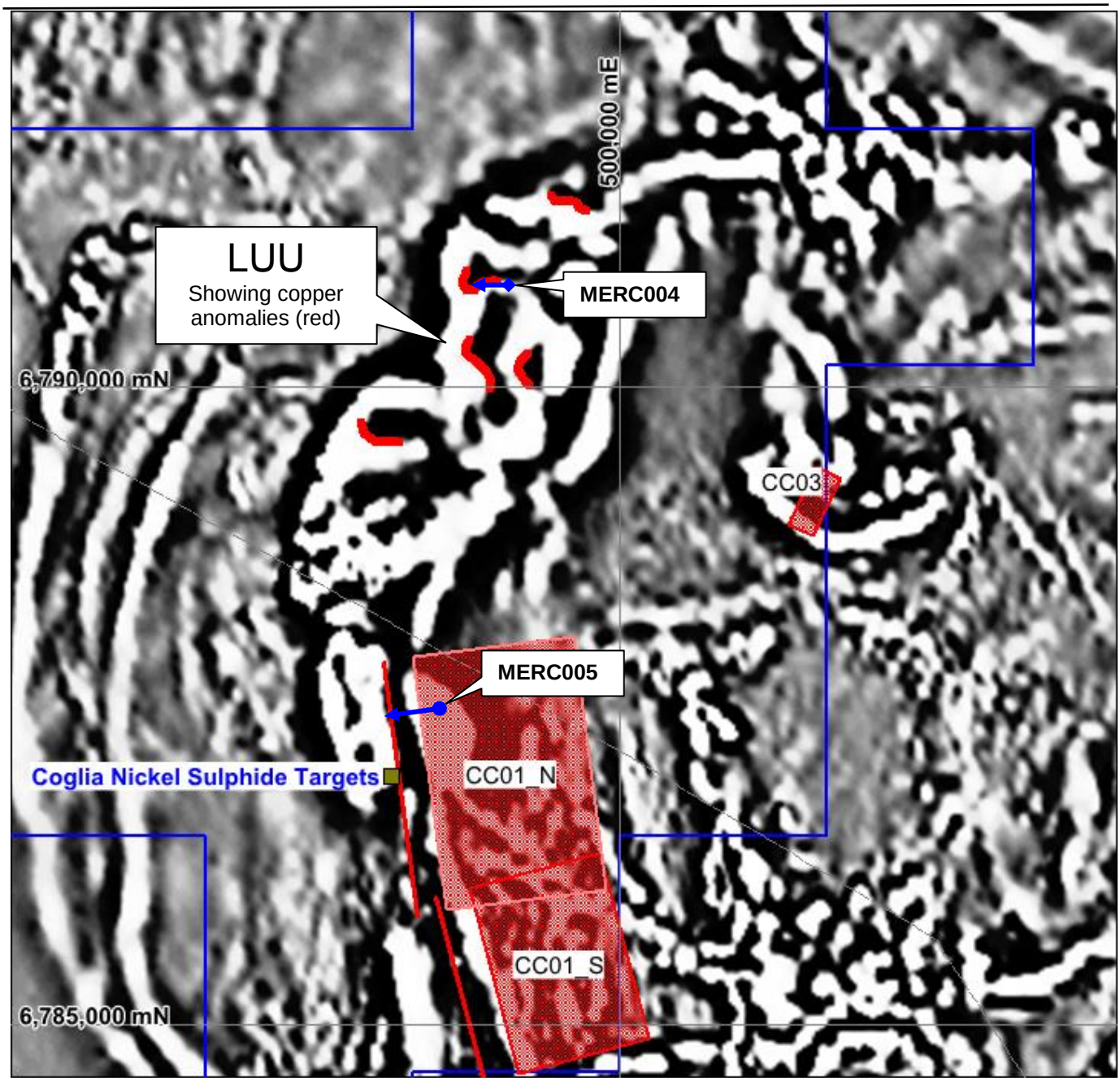


Figure 11 The Coglia ultramafic unit showing Conductor CC01N (red) on interpreted geology with proposed drilling

Merolia Project Background

The Merolia project consists of 771 square kilometres of the Merolia Greenstone belt and contains extensive ultramafic sequences including the Diorite Hill layered ultramafic complex, the Rotorua ultramafic complex, the Coglia ultramafic complex and a 50 kilometre long zone of extrusive ultramafic lava's. The Intrusive complexes are prospective for nickel-copper sulphide accumulations possibly with platinum group elements, and the extrusive ultramafic rocks are prospective for nickel sulphide and nickel-cobalt accumulations. The project also contains extensive basalt sequences that are prospective for gold mineralisation including the Ironstone prospect where historical drilling has identified 24m at 8.6g/t gold.

3 Corporate

Finance

During the June quarter the Company has successfully raised $2.64 million via a placement to professional and sophisticated investors through the issue of 440 million new shares at 0.6 cents per share. Participants in the placement also received one unquoted option exercisable at $0.015 on or before 15 December 2016 for every four shares subscribed.

Lithium Joint Venture

During the June quarter the Company agreed to a joint venture over its Lake Percy tenement located approximately 430km east of Perth Western Australia (***Figure 12***). Under the joint venture, Liontown Resources can earn up to 70% equity in the 41km^2 Lake Percy tenement (EL63/1222).

The Project is considered prospective for economic lithium mineralisation due to:

- the presence of very large pegmatite bodies which are up to 550m thick and 3km long (***Figure 13***); and
- its location at the northern end of Lake Johnson Greenstone Belt (***Figure 12***), which hosts several lithium-bearing pegmatites including ~20km to the south and a second area near the Maggie Hayes nickel deposits (see Poseidon Nickel (ASX:POS) ASX releases dated 23rd May and 9th June 2016).

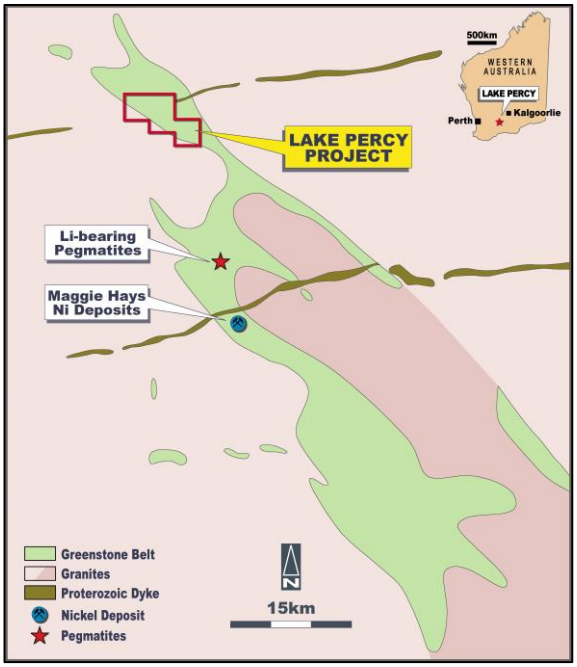


Figure 12: Lake Percy Project location

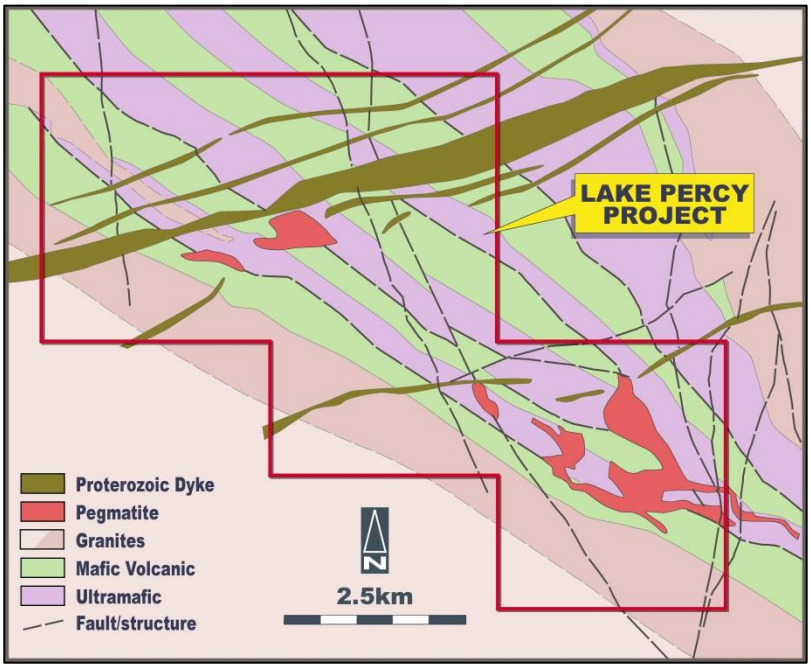


Figure 13: Lake Percy Project geology

The Project area has been extensively explored for nickel, including multiple phases of RC and diamond core drilling; however, there have been very few assays for lithium and the pegmatites have largely been ignored. Strong surficial weathering means that spodumene is unlikely to be preserved at surface and further drilling will be required to test for primary lithium mineralisation.

Recently announced lithium exploration results by other companies operating in region such as Kidman Resources (ASX: KDR), Poseidon Nickel (ASX:POS) and Marindi Metals (ASX: MZN) has further highlighted the lithium potential of this area.

Exploration work will commence immediately on the Project with the initial phase comprising a review of previous drill data to assist with better defining the sub-surface extension of the pegmatites and geochemical sampling to test for pathfinder elements such as tantalum and niobium. Where possible, previous drill holes will be also be sampled to test for lithium in pegmatites that have already been intersected. This work will be used to define targets for drill testing.

Acquisition Terms

White Cliff Minerals has agreed to terms whereby Liontown may acquire up to 70% of the Lake Percy Project, on the following terms:

- by spending A$1,000,000 on exploration within 3 years to earn 51% equity;
- at Liontown's election, it can increase its equity to 70% by spending an additional A$750,000 before the 4th anniversary of the JV Agreement execution; and
- by committing to spending $50,000 on exploration before having the right to withdraw from the joint venture.

4 Other Projects

The Company has conducted extensive soil sampling programs over several nickel and gold prospects during the June quarter including the Ghan Well and the Bremer Range projects. Samples from these programs are currently awaiting analysis and will be reported as they become available.

5 Tenement information

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
AP590	Chanach	Kyrgyz Republic	89%	-
E38/2484	Merolia	Laverton	100%	-
E38/2552	Merolia	Laverton	100%	-
E38/2583	Merolia	Laverton	100%	-
E38/2690	Merolia	Laverton	100%	-
E38/2693	Merolia	Laverton	100%	-
E38/2702	Merolia	Laverton	100%	-
E38/2727	Merolia	Laverton	100%	-
E38/2847	Merolia	Laverton	100%	-
E38/2848	Merolia	Laverton	100%	-
E38/2849	Merolia	Laverton	100%	-
E63/1222	Bremer Range	Dundas	100%	-
E63/1264	Bremer Range	Dundas	100%	-
E63/1716	Bremer Range	Dundas	100%	-
P63/1988	Bremer Range	Dundas	100%	-
P63/1989	Bremer Range	Dundas	100%	-
E39/1479	Ghan Well	Laverton	100%	-
P39/5262	Laverton	Laverton	100%	-
P39/5263	Laverton	Laverton	100%	-
E39/1585	Laverton	Laverton	100%	-
E39/1586	Laverton	Laverton	100%	-
E31/1015	Mt Remarkable	Leonora	100%	-

About White Cliff Minerals Limited

White Cliff Minerals Limited is a Western Australian based exploration company with the following main projects:

Kyrgyz Aucu Gold Project (89%): The Project contains extensive porphyry related gold and copper mineralisation starting at the surface and extending over several kilometres. Drilling during 2014 has defined a major **gold discovery** with an initial inferred resource of 1.15Mt at 4.2 g/t containing 156,000 ounces of gold. Additional drilling in 2015 identified extensions of known high grade gold mineralisation with intersections as high as 8 metres at 55 g/t gold. In addition drilling has also defined a significant **copper deposit** at surface consisting of 10Mt at 0.41% copper containing 40,000 tonnes of copper. Extensive mineralisation occurs around both deposits demonstrating significant potential to increase the existing resources.

The project is located in the Kyrgyz Republic, 350km west-southwest of the capital city of Bishkek and covers 83 square kilometres. The Chanach project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extends for over 2,500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan into western China.

Merolia Nickel Project (100%): The project consists of 771 square kilometres of the Merolia Greenstone belt and contains extensive ultramafic sequences including the Diorite Hill layered ultramafic complex, the Rotorua ultramafic complex, the Coglia ultramafic complex and a 51 kilometre long zone of extrusive ultramafic lava's. The intrusive complexes are prospective for nickel-copper sulphide accumulations possibly with platinum group elements, and the extrusive ultramafic rocks are prospective for nickel sulphide and nickel-cobalt accumulations. The project also contains extensive basalt sequences that are prospective for gold mineralisation including the Ironstone prospect where historical drilling has identified 24m at 8.6g/t gold.

Bremer Range Nickel Project (100%): The project covers over 127 square kilometres in the Lake Johnson Greenstone Belt, which contains the Emily Ann and Maggie Hayes nickel sulphide deposits. These mines have a total resource of approximately 140,000 tonnes of contained nickel. The project area has excellent prospectivity for both komatiite associated nickel sulphides and amphibolite facies high-grade gold mineralisation.

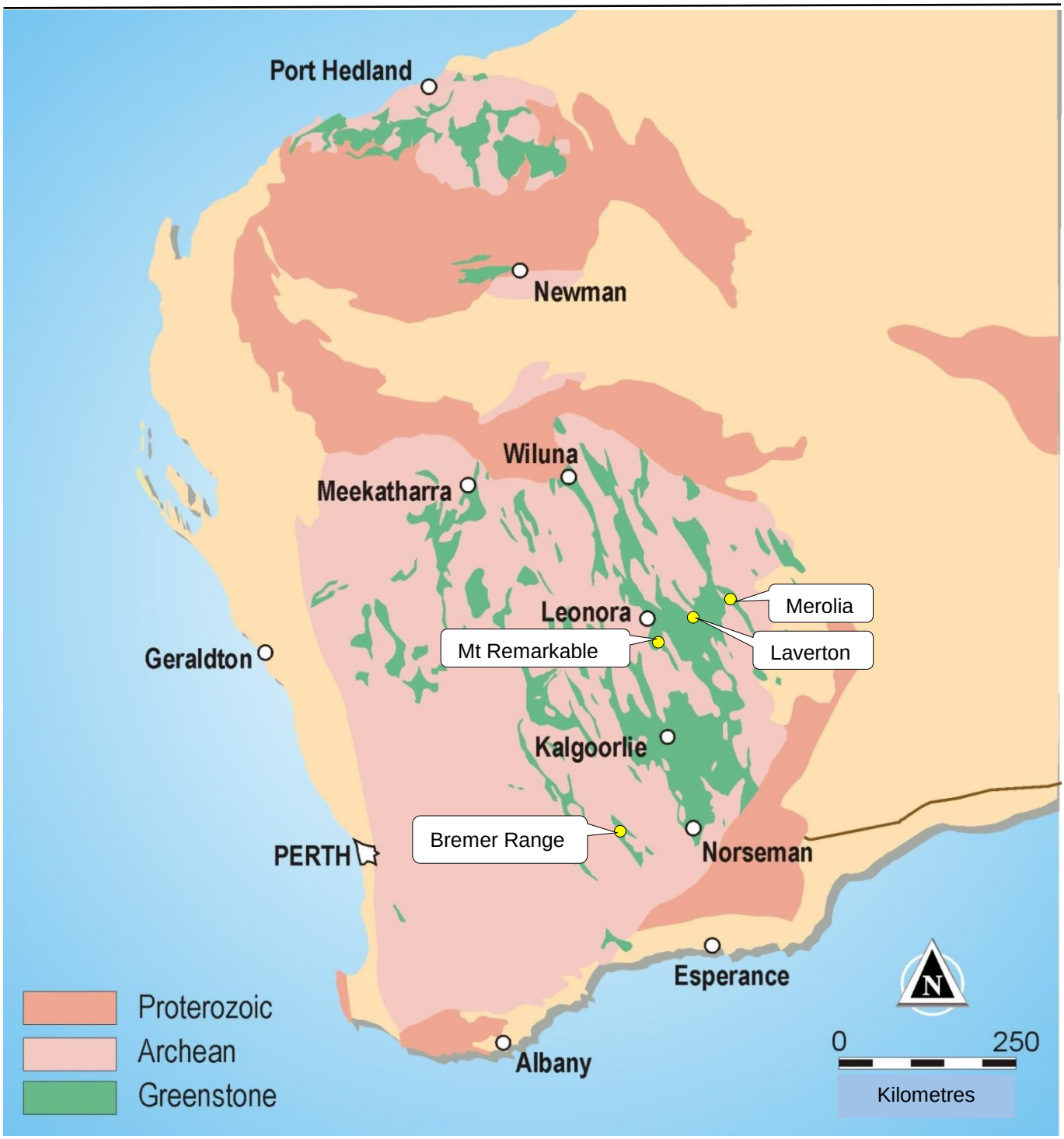
Laverton Gold Project (100%): The project consists of 136 square kilometres of tenement applications in the Laverton Greenstone belt. The core prospects are Kelly Well and Eight Mile Well located 20km southwest of Laverton in the core of the structurally complex Laverton Tectonic zone immediately north of the Granny Smith Gold Mine (3 MOz) and 7 kilometres north of the Wallaby Gold Mine (7MOz).

Mount Remarkable Project (100%): The project covers 185 square kilometres and is located approximately 170 km N-NE of Kalgoorlie and about 25 km SE of Kookynie in the Northern Goldfields. Included in the project area are the historic gold mining centres of Mt Remarkable and Yerilla which consists of several old workings. Major gold mines in the surrounding area include Sons of Gwalia, Tarmoola, Carosue Dam, Granny Smith, Wallaby and Sunrise Dam. The project includes several areas adjacent to and along strike from existing nickel deposits at Aublis, Yerilla and Boyce Creek. These deposits form Heron Resources' Yerilla Nickel Project which contains 135 Mt @ 0.77% Nickel and 0.05% Cobalt.

JORC Compliance

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Todd Hibberd, who is a member of the Australian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the Company. Mr Hibberd has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the `Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)`. Mr Hibberd consents to the inclusion of this information in the form and context in which it appears in this report.

[1] The information relating to White Cliff Minerals past exploration results at Merolia, Laverton and Chanach and its assessment of exploration completed by past explorers was prepared and first disclosed under the JORC Code 2004. It has 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.



Tenement Map - Australia. A regional geology and location plan of White Cliff Minerals Limited exploration projects in the Yilgarn Craton, Western Australia

Rule 5.3

Appendix 5B

Mining 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

Name of entity

WHITE CLIFF MINERALS LIMITED

ABN	Quarter ended ("current quarter")
22 126 299 125	30 June 2016

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(543)	(2,516)
	(b) development		
	(c) production		
	(d) administration	(202)	(895)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	1	2
1.5	Interest and other costs of finance paid		(30)
1.6	Income taxes paid		
1.7	Other - Government grants/refunds	10	219
	Net Operating Cash Flows	(734)	(3,220)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	(42)	(149)
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		
	Net investing cash flows	(42)	(149)
1.13	Total operating and investing cash flows (carried forward)	(776)	(3,369)

1.13	Total operating and investing cash flows (brought forward)	(776)	(3,369)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,640	5,697
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		130
1.17	Repayment of borrowings	(40)	(651)
1.18	Dividends paid		
1.19	Other - capital raising costs	(72)	(319)
	Net financing cash flows	2,528	4,857
	Net increase (decrease) in cash held	1,752	1,488
1.20	Cash at beginning of quarter/year to date	131	456
1.21	Exchange rate adjustments to item 1.20	(64)	(125)
1.22	**Cash at end of quarter**	**1,819**	**1,819**

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	137
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $000	Amount used $000
3.1	Loan facilities	AUD100	AUD-
3.2	Credit standby arrangements		

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	400
4.2	Development	
4.3	Production	
4.4	Administration	100
	Total	**500**

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	201	70
5.2	Deposits at call	1,618	61
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	1,819	131

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				

+ See chapter 19 for defined terms.

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**	1,527,511,057	1,527,511,057		
7.4	Changes during quarter (a) Increases through issues (b) Decreases	440,000,000	440,000,000	$0.006	
7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases (b) Decreases				
7.7	**Options** *(description and conversion factor)*	102,050,017 202,850,000 30,000,000 110,000,000	102,050,017 - - -	*Exercise price* $0.03 $0.02 $0.012 $0.015	*Expiry date* 11/3/2017 31/12/17 1/12/18 15/12/16
7.8	Issued during quarter	110,000,000	-	$0.015	15/12/16
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

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 /does not* *(delete one)* give a true and fair view of the matters disclosed.

Sign here:  Date: 28 July 2016

Company Secretary

Print name: Michael Langoulant

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 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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