

# ASX Announcement

25 October 2016

## Quarterly Activities Report Period Ending 30 September 2016

### Key Points

### Gorno Zinc Project

- *Exploration Decline advanced by 180m to 429m.*
- *16 diamond drill holes (GDD089 – GDD104) for 1,904 metres completed during the Quarter.*
- *Assays received from 8 diamond drill holes (GDD084 – GDD091).*
- *Latest drilling visually confirms the down plunge extension of Colonna Zorzone mineralisation between 940mRL and 800mRL.*
- *Revised Resource Estimate to be completed in December 2016.*
- *Ore sorting trials continue to produce impressive results.*
- *Locked cycle testwork on “sulphide” ore upgraded by ore sorting has achieved a 96% recovery of zinc to a concentrate grade of 63%Zn for overall recovery of 90%.*
- *Definitive Feasibility Study (DFS) on track for completion by end of January 2017. Work currently focussed on plant design, mine planning and regulatory approvals.*

### Corporate

- *Cash at 30 September 2016 of approximately \$2.7M with an additional \$6.09M (before costs) received from the Rights Issue completed in October 2016.*

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Managing Director  
Marcello Cardaci  
Non-Executive Director

**Company Secretary**  
Jamie Ames

## Development Projects

### Gorno Zinc Project - Italy (100% owned)

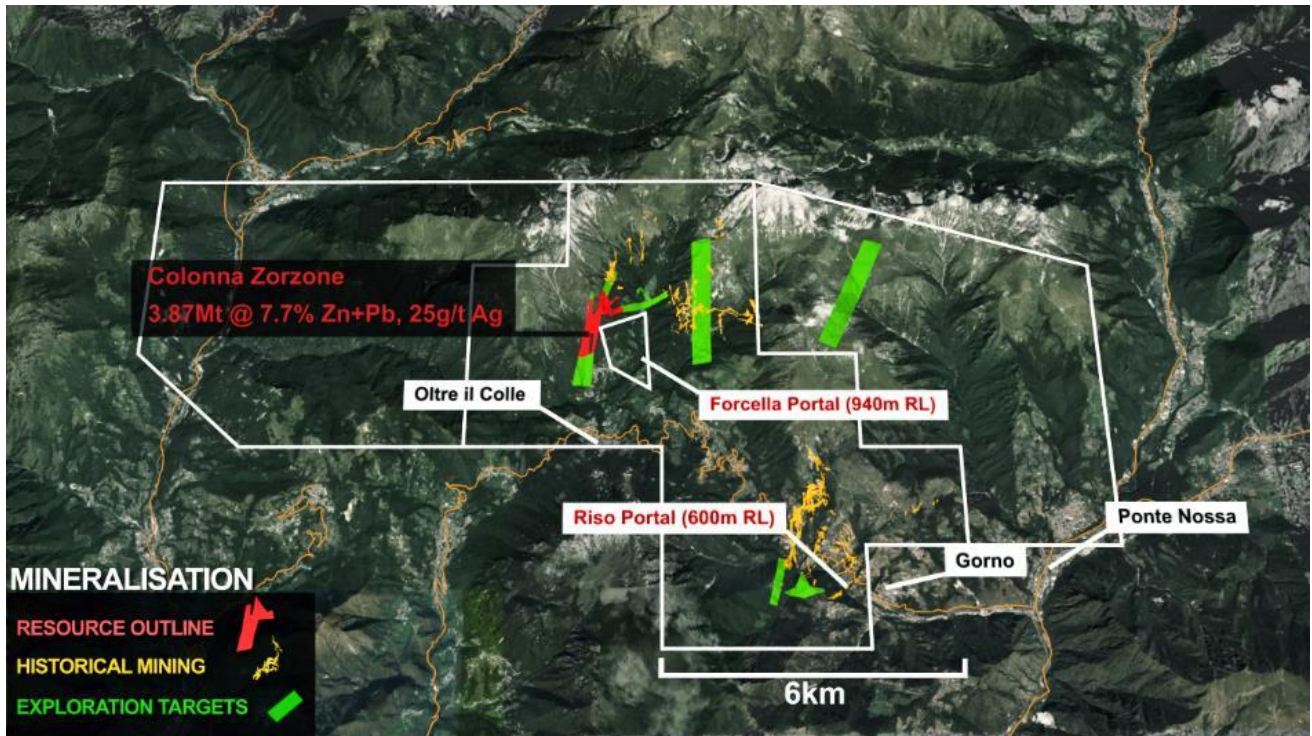


Figure 1: Gorno Zinc Project – Site Layout

### Colonna Zorzone Development

#### Safety and Environment

No Lost Time Injuries were recorded during the period.

Environmental activities required for both a VIA (an Environmental Impact Assessment) and an AIA (an Integrated Environmental Authorisation) are ongoing as part of the approvals process.

Baseline water data collection, hydrological modelling, noise monitoring and underground air quality continues. General air monitoring has commenced.

#### Definitive Feasibility Study (DFS)

During the period, work on the DFS, which is anticipated to be completed by the end of January 2017 following completion of the resource estimate in December 2016 continued. This has focussed on optimising the process flowsheet including additional ore sorting and metallurgical testwork as well as plant design, baseline environmental work, preliminary mine planning and discussions with local authorities.





**Figure 2: High-grade zinc mineralisation in cross-cut on the 940 level from where bulk samples for Ore Sorting and Locked Cycle test work have been extracted**

### **Ore Sorting**

Following the successful ore sorting testwork carried out by Tomra Outotec in the June Quarter, a second bulk sample of 4 tonne of the same material was dispatched to Steinert Electromagnetbau GMBH for XSS-T Ore Sorter trials in their laboratories in Cologne, Germany.

Results were similar to the Tomra results, with 56% rejection in the plus 12 -70mm fractions and 39% including fines for a 95% recovery of zinc, resulting in a 57% increase in grade from 6.48% Zn to 10.2% Zn. Lead recovery was also high at 94% for a 55% increase in grade from 1.99% Pb to 3.08% Pb.

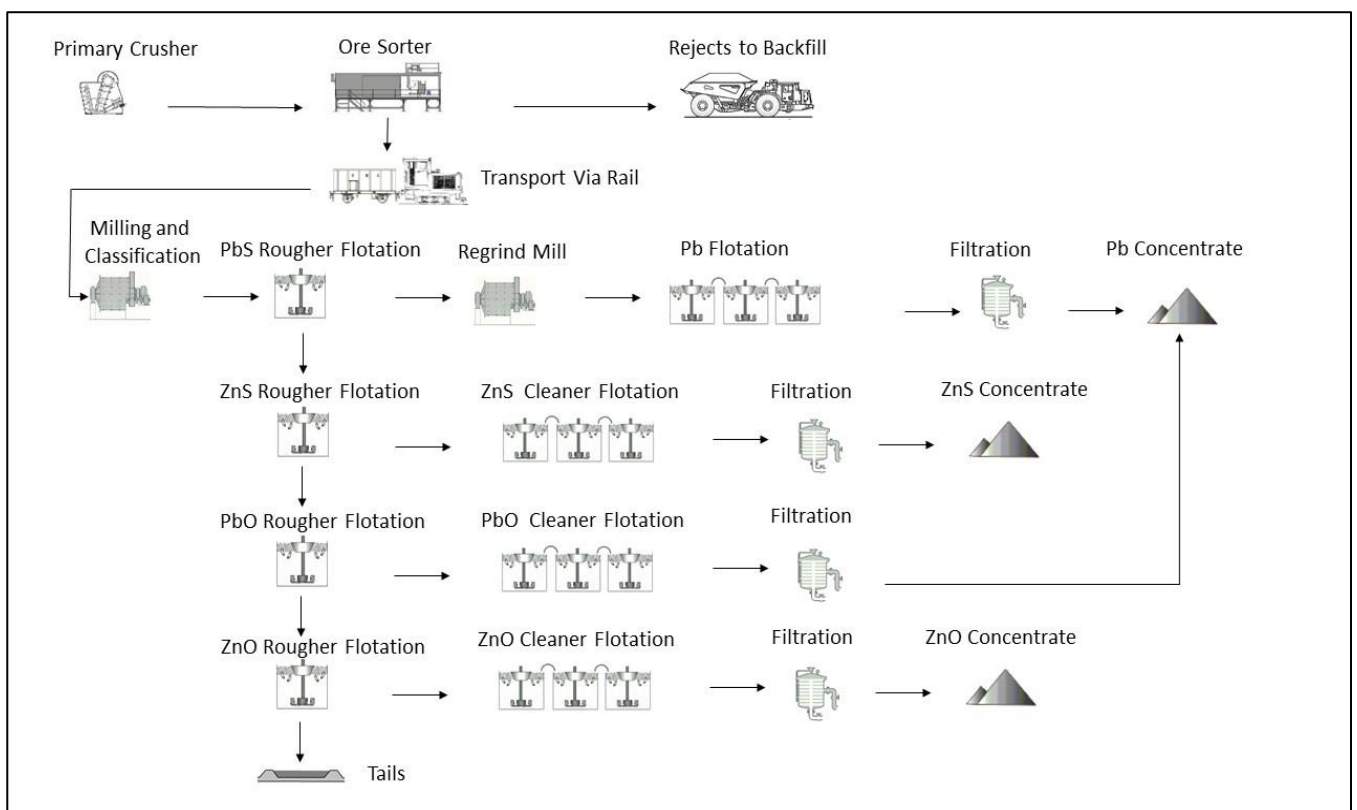
The bulk sample was extracted from a cross-cut along the same trajectory as diamond hole GDD011 and included 15% footwall waste dilution to simulate what would be expected from run-of-mine material. This bulk sample contained a high proportion of disseminated mineralisation and was selected on the basis that it was considered to be potentially the least amenable for ore sorting.

### **Metallurgy**

Locked cycle testwork to date on “sulphide” ore upgraded by ore sorting has achieved a 96% recovery of zinc to a concentrate grade of 63% Zn and 72% recovery of lead to a concentrate grade of 69% Pb. If a 6% loss of zinc is assumed for processing through the ore sorters, then the overall zinc recovery can be expected to be 90%.



The lead oxide concentrate would most likely be combined for sale with the lead sulphide concentrate.







**Figure 4: Exploration Decline Currently Under Construction**

### ***Diamond Drilling Program***

During the period, diamond drilling continued utilising one rig until the first week in September when a second rig commenced drilling from the first caddy position in the decline. 16 holes (GDD089-GDD104) were completed for 1,904.2 metres bringing the total to date for the project to 10,069.6 metres. The two rigs will now operate continuously from the decline until the completion of the drilling program with a third rig commencing in mid-November.

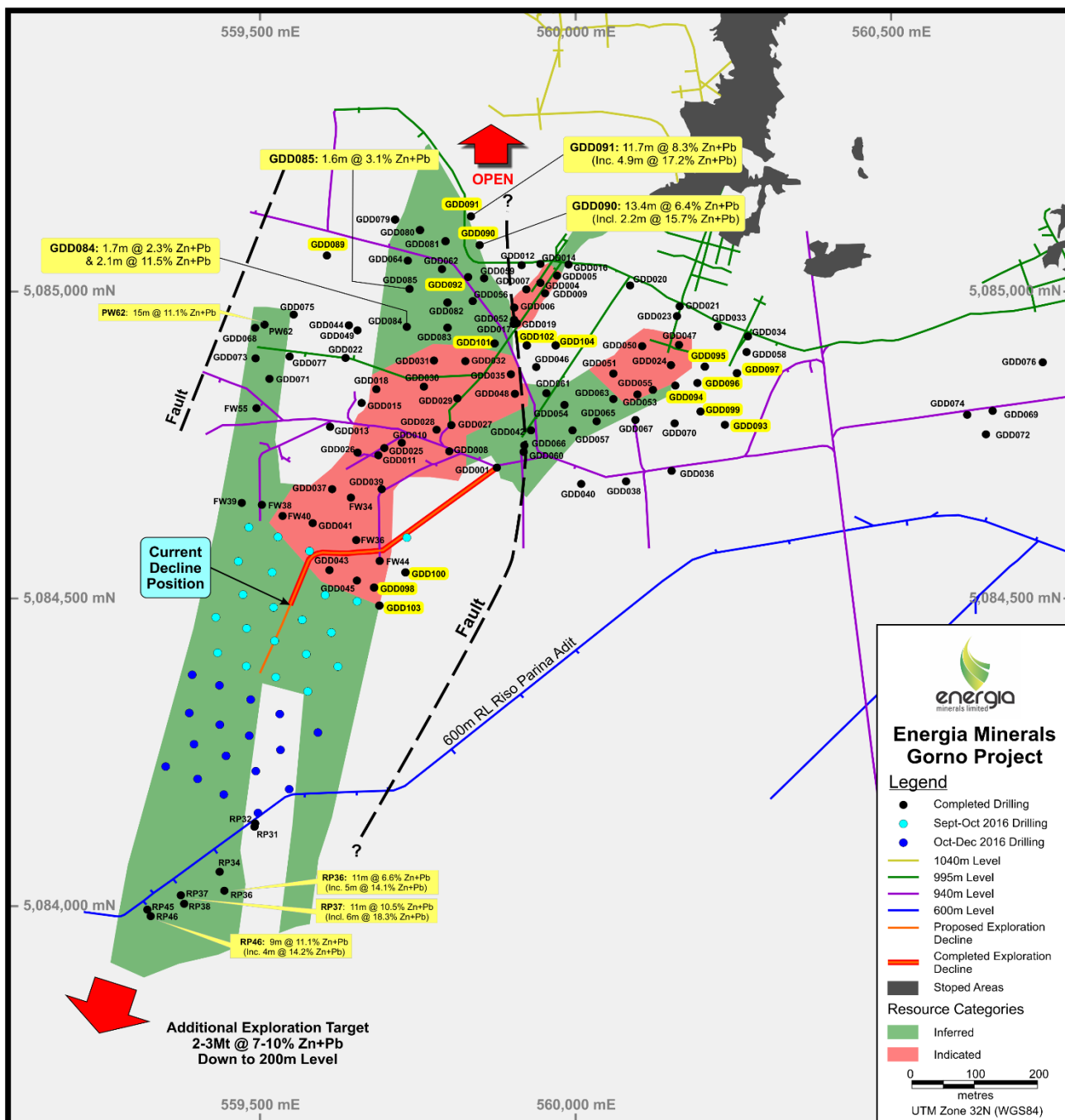
Assays were received from 8 diamond drill holes (GDD084-GDD091) with the majority of these from within or peripheral to the previously announced Inferred Resource above the 940 level. Results peripheral to the Inferred Resource include the following intersections which will expand the resource in this area:

- **11.7m at 6.3% zinc, 2.0% lead, 73g/t silver, including 4.9m at 13.4% zinc, 3.8% lead, 95g/t silver (GDD091) and;**
- **13.4m at 5.2% zinc, 1.2% lead, 29g/t silver, including 2.2m at 13.1% zinc, 2.6% lead, 26g/t silver (GDD090)**

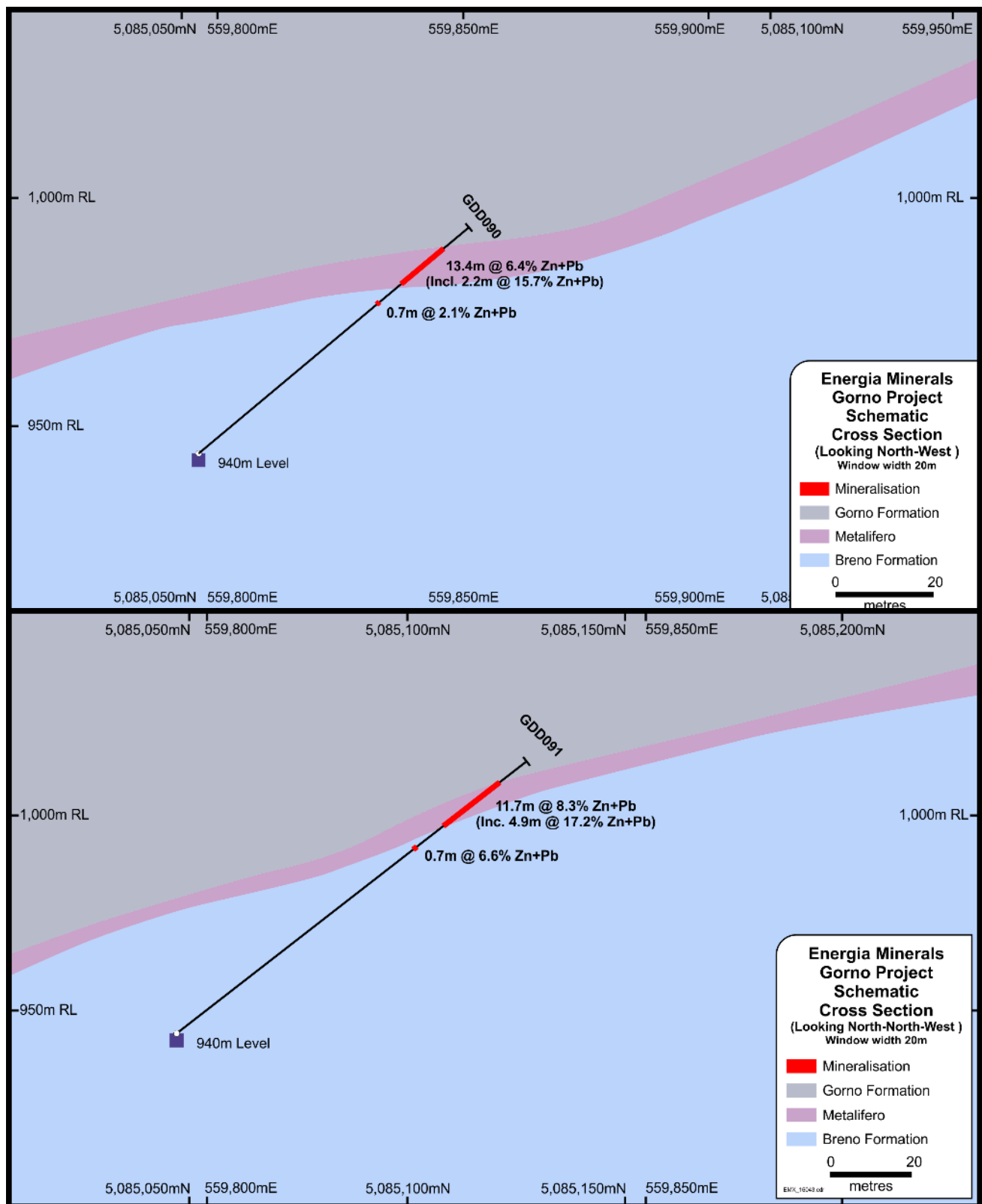
Please note that GDD090 and GDD091 as quoted above have been calculated at a different cut-off grade of 1.5% zinc to that previously announced which reflects more accurately what might be expected in a mining situation in this area.

Drilling (for which assays are not yet available) to the east of **GDD070 (1.6m at 10.2% Zn+Pb)** and to the east of the currently defined resource has extended the overall strike length of mineralisation at Zorzone to 800 metres with intersections in GDD094, GDD095 and GDD096.





**Figure 5: Resource Outlines and Drilling Program**



**Figure 6: GDD090 and GDD091 Cross Sections**



## Exploration Projects

### Paterson Project - Western Australia (100% owned)

No field work was carried out at Paterson during the period as a heritage agreement with the Martu traditional owners was only finalized during the Quarter.

Energia has built a large and strategically located tenement package totaling 1,616km<sup>2</sup> now comprising nine granted tenements in the under-explored and highly prospective Paterson Province of Western Australia which hosts a number of world class mineral deposits including Telfer (Au), Nifty (Cu) and Kintyre (U) (see Figure 9).

One of the recently granted tenements, E45/4543, adjacent to Energia's Tabletop tenement (E45/2886), contains the historical Eva Well base metal silver prospect on which no modern exploration has been carried out. The only historical hole drilled beneath a gossan returning peak assay values from various individual 2m samples of up to **0.25% copper, 0.14% lead, 0.52% zinc and 46 g/t silver**. Remarkably the hole encountered **26 metres grading 25 g/t silver** from 59 metres depth. This hole was never followed up with further drilling.

A large deep seated magnetic target (8km by 5km) prospective for IOCG copper/gold mineralization remains untested in the western half of E45/2886 to the west of the Kintyre Fault and it was planned to carry out a gravity survey during 2016 in advance of a drilling program. However, the proposed program has been delayed as the program was not approved by the traditional owners in time to proceed before the onset of the wet season.

Energia has also identified a number of deep conductive targets within E45/2886, lying in close proximity to the regionally extensive Kintyre and Tabletop faults which appear to be major mineralizing conduits. These conductors could reflect mineralization within either the Coolbro Sandstone cover sequence or the underlying basement.

### Nabberu Project – Western Australia (100% owned)

No field work was carried out on this property which comprises 1,032km<sup>2</sup> in two tenement applications which are expected to be granted shortly.

Limited exploration has been carried out on this early stage regional exploration target with the only significant historical work having been carried out by Jubilee Mines which established its prospectivity.

Several basement fault structures transect the property and drilling by Jubilee Mines encountered hydrocarbons and disseminated low iron zinc sulphides hosted by carbonate rocks which suggest an ideal environment for the discovery of Mississippi Valley style zinc deposits.

Historical data is currently being compiled.

### McArthur Project - Northern Territory Australia (100% owned)

No work was carried out during the Quarter. However one tenement (EL31045) was recently granted with the grant of the remaining three pending the outcome of current discussions with traditional owners.





The Pacifico Minerals / Sandfire Resources (Pacifico) joint venture are currently drilling on the adjacent tenements with assay results expected in early November. The westerly dipping Barney Creek formation at Pacifico's Four Mile Prospect, which is host to lead zinc mineralisation elsewhere in the MacArthur Basin, is interpreted to pass into Energia's ground at around 250 metres depth.

### ***Salafossa and Predil - Italy (100% owned)***

No work was carried out on Predil or Salafossa during the period.

Tenements have been applied for covering two historical large Mississippi Valley Style producers. Both have similar Zn:Pb ratios to Gorno which, if granted, will offer significant diversification and growth opportunities alongside the Company's flagship Gorno Zinc Project. The two applications cover the historical zinc mines of **Predil** and **Salafossa** in the far north-east of Italy, close to the borders of Austria and Slovenia and approximately 400km by road from Gorno (see Figure 7 for location).

The **Predil Mine**, has a long production history dating back to the eleventh century AD and was prematurely closed in 1991 by ENI as part of the Italian government's strategy for ENI to contract its activities to oil and gas. Predil is estimated to have produced **30Mt of ore grading 5.0% zinc and 1.2% lead (1.9Mt of contained Zn+Pb)** and, at the time of its closure, was producing approximately 50,000 tonnes of zinc and lead concentrates annually which were transported to Gorno to be treated through the still operating Ponte Nossa Refinery. The Predil deposit remains open at depth.

The **Salafossa Mine** was discovered in 1959 and mined by Societa Mineraria e Metallurgica di Pertusola SpA from 1964 until its closure in 1986. Salafossa produced **10.95Mt of sulphide ore grading 5.0% zinc and 1.0% lead** at an average production rate of approximately 500,000 tonnes per annum over a period spanning 22 years. Salafossa production was from a single flat-lying deposit with dimensions of 750m by 200m and up to 30m wide which facilitated mining by low-cost, large scale open stoping.

Energia is planning to commence digitising data for Predil and Salafossa stored in regional and state archives.

### ***Nyang ISR Uranium Project - Western Australia (100% owned)***

E08/2735, located midway between Paladin Energy Ltd's Carley Bore and Manyingee ISR uranium deposits in the Carnarvon Basin of Western Australia was granted on 16 September 2016 and discussions are continuing with the traditional owner groups regarding access arrangements.



The adjacent tenements, E08/2160 and E08/2161, owned by Cauldron Energy Ltd (CXU), are subject to a forfeiture application by Energia for substantial under expenditure. As previously advised, the Minister has rejected CXU's application for expenditure exemption on both tenements and the matter is back before the Warden for his consideration following further submissions by both parties. All three tenements had never been drilled under CXU's extended ownership and have considerable potential to host ISR uranium deposits (See Figure 8).

### **Val Vedello and Novazza Uranium Projects - Italy (100% owned)**

These tenement applications are awaiting grant and no work was carried out during the Quarter. Refer to December 2015 Quarterly Report for detail.

### **Corporate**

During the quarter, the Company disposed of its remaining investment in Paladin Energy Ltd realising net proceeds of approximately \$3.5 million.

Cash on hand as at 30 September 2016 was approximately \$2.7 million.

At 30 September 2016, Energia had on issue 609,020,979 fully paid ordinary shares and 39,750,000 unlisted options.

On 14 October 2016, the Company completed a fully underwritten, Non-renounceable Rights Issue of 2 new shares for every 7 existing shares. On completion, an additional 174,006,475 fully paid ordinary shares were issued at an issue price of \$0.035 (3.5 cents) to raise total proceeds of approximately \$6.09 million before costs.

Please refer to the attached Appendix 5B for further information.

### **Tenements**

Current tenement holdings, tenements disposed of and acquired during the quarter are shown in the attached Tables 1, 2 and 3.



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## About Energia Minerals

Energia Minerals is a highly focused and well-funded exploration and development company with an exciting portfolio of projects in Italy and Australia covering approximately 4,996km<sup>2</sup> in 22 granted tenements and 15 under application.

All tenements and applications are 100% owned with no third party royalties other than a 1% NSR royalty payable to Berghem Mines & Tech SRL in respect of any zinc production from the Gorno Zinc Project.

In Northern Italy, Energia has granted title over the exciting Gorno Zinc Project, which in addition to the recently announced resource, has significant quantities of developed but unmined zinc mineralisation remaining when ENI closed the operation prematurely in 1985. It is this existing mineralisation, as well as undeveloped and partially drilled extensions that is the target of the ongoing resource definition drilling program.

Gorno was mined extensively until 1978, producing approximately 800,000 tonnes of zinc metal contained in high quality; coarse grained 55-58% zinc sulphide concentrates and zinc oxide concentrates from a recorded throughput of 6Mt grading 14.5% zinc. More than 230km of underground workings were developed across the Gorno licenses.

For further information on the company please go to [www.energiaminerals.com](http://www.energiaminerals.com) or email [info@energiaminerals.com](mailto:info@energiaminerals.com).

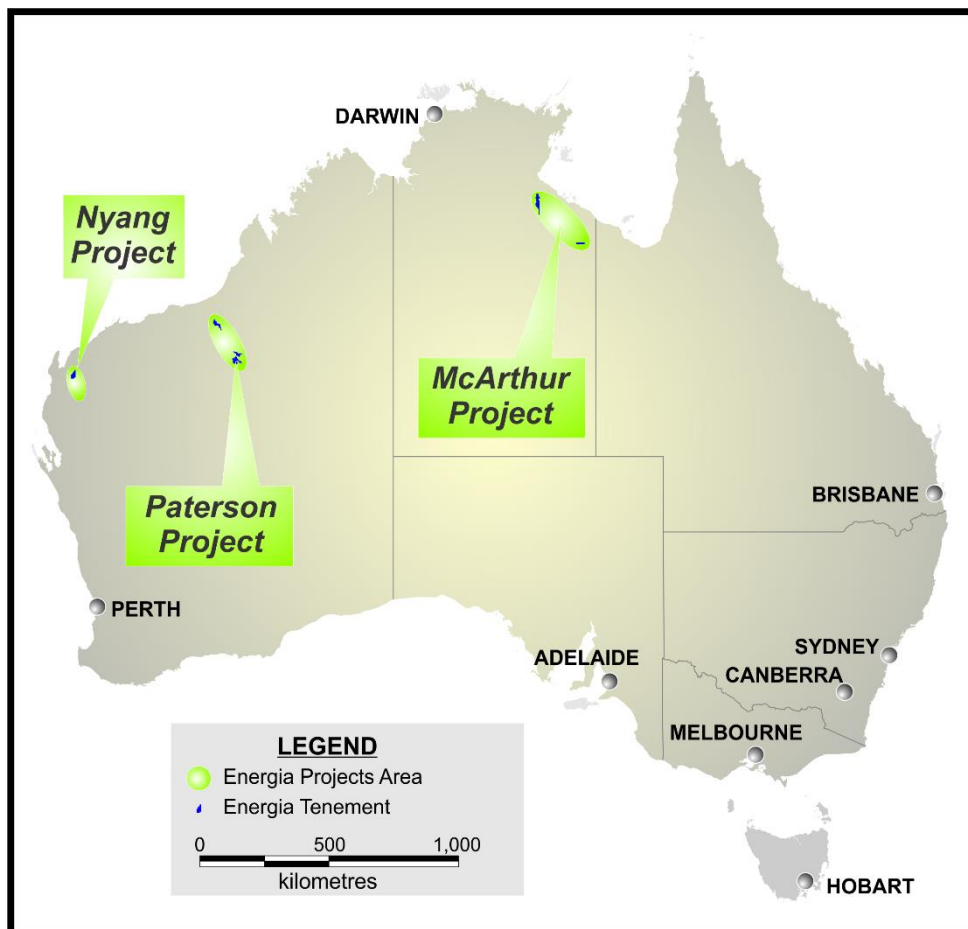
### Competent Person Statement

*Information in this release that relates to Exploration Results is based on information prepared by Mr Kim Robinson, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Robinson is a full-time employee of Energia Minerals Limited. Mr Robinson 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 Robinson consents to the inclusion in this release of the matters based on their information in the form and context in which it appears.*

### Competent Person Reference

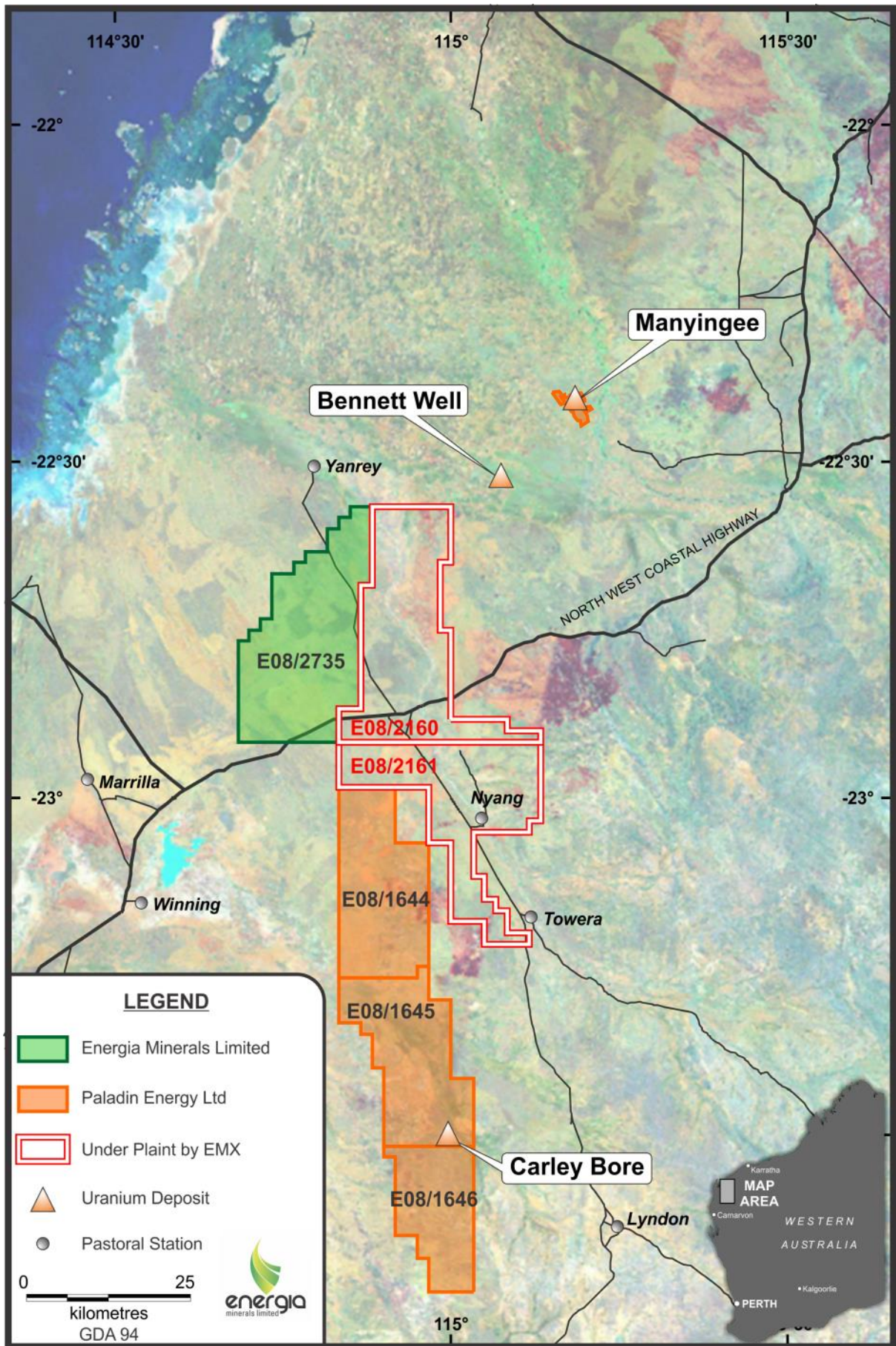
*The information in this announcement that relates to Mineral Resources is based on, and fairly represents, the Mineral Resources and information and supporting documentation extracted from the report, which was prepared by Mr James Ridley as Competent Person in compliance with the JORC Code (2012 edition) and released to ASX by the Company on 16 March 2016. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. All material assumptions and technical parameters underpinning the Mineral Resource estimates in that previous release continue to apply and have not materially changed.*





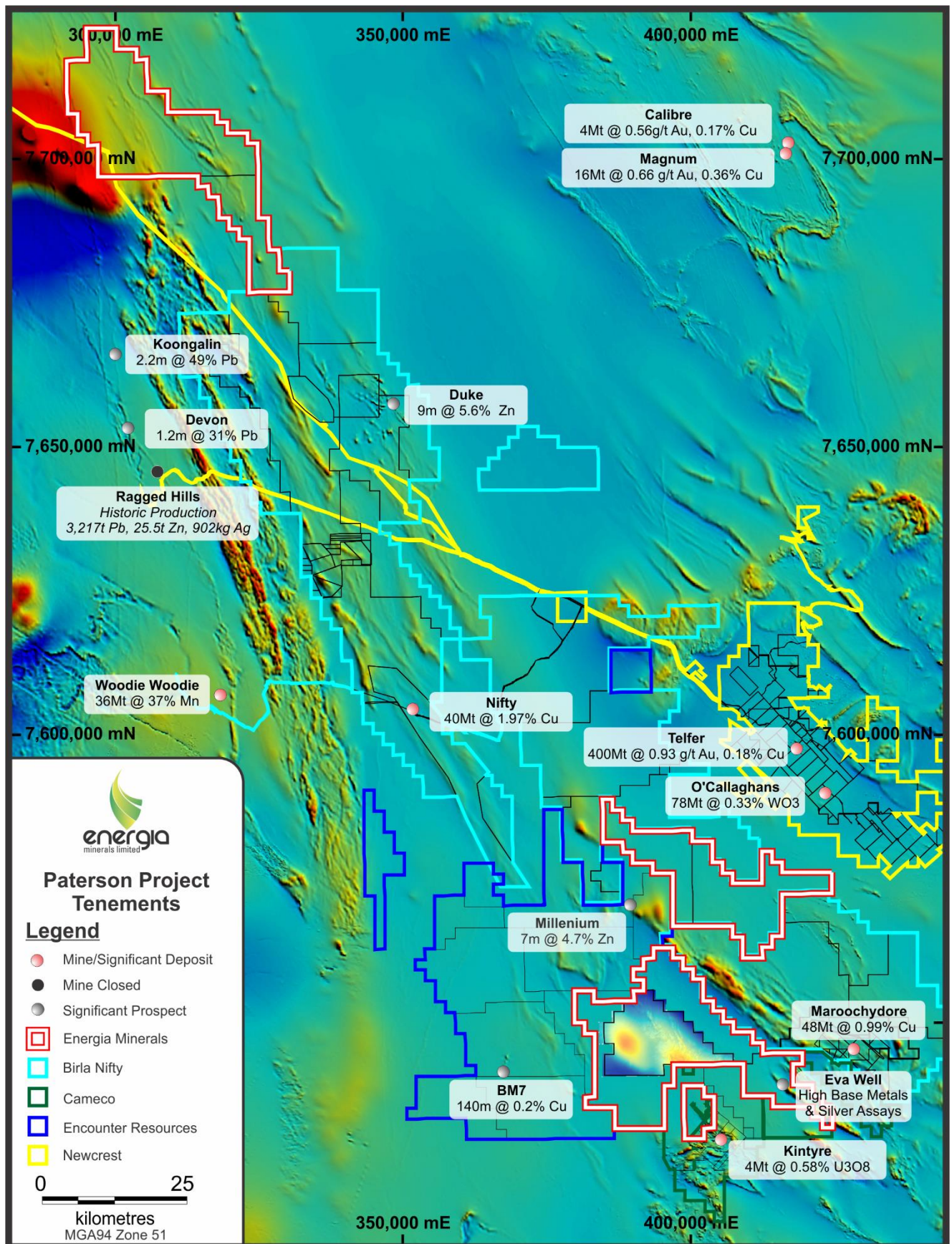
**Figure 7: Energia Minerals Australian and Italian Project Locations**





**Figure 8: Carley Bore Tenement Locations Showing Disputed Tenements**





**Figure 9: Energia's Tenement Holding in the Paterson Province**

**Table 1: Schedule of Mining Tenements Held**

Project	Tenement	Entity's Interest	Comments
<b>Western Australia</b>			
Table Top	E 45/2886	100%	Granted
Iron Hill	E45/4499	100%	Granted
Paterson Range	E45/4520	100%	Granted
Iron Hill South East	E45/4521	100%	Granted
Throssell Range	E45/4522	100%	Granted
Moses Chair	E45/4534	100%	Granted
Throssell Range	E45/4535	100%	Granted
Broadhurst Range	E45/4543	100%	Granted
Isadell	E45/4563	100%	Granted
Nyang	E08/2735	100%	Granted
Lake Talbot	E69/3445	100%	Application
Weld Spring	E69/3446	100%	Application
<b>Northern Territory</b>			
McArthur	EL 25269	100%	Application
McArthur	EL 25272	100%	Application
McArthur	EL31045	100%	Granted
McArthur	EL31046	100%	Application
<b>Italy</b>			
Novazza	N/A	100%	Application
Val Vedello	N/A	100%	Application
Gorno – Monica Concession	Decree 845	100%	Granted
Gorno – Gorno NE	Decree 1633	100%	Granted
Gorno – Gorno NW	Decree 1571	100%	Granted
Gorno – Monte Golla	Decree 1629	100%	Granted
Gorno – Zambala	Decree 1632	100%	Granted
Gorno – Vedra	Decree 1630	100%	Granted
Gorno – Zambala West	Decree 3276	100%	Granted
Gorno – Riso	Decree 3277	100%	Granted
Gorno – Vedra Nord	Decree 3278	100%	Granted
Gorno – Parina Nord	Decree 3279	100%	Granted
Gorno – Parina	Decree 3280	100%	Granted
Gorno – Pano Orso	N/A	100%	Application
Gorno – Oltre Il Colle	N/A	100%	Application
Gorno – Zambala South	N/A	100%	Application
Gorno – Riso West	N/A	100%	Application
Gorno – Brembo	N/A	100%	Application
Gorno – Serio	N/A	100%	Application
Predil	N/A	100%	Application
Salafossa	N/A	100%	Application

**Table 2: Schedule of Mining Tenements Reduced**

Area of Interest	Tenement	Entity's Interest	Comments
Nil			

**Table 3: Schedule of Mining Tenements Increased**

Area of Interest	Tenement	Entity's Interest	Comments
Nil			

**Table 4: Gorno drilling location details and assay results for holes GDD084 to GDD091**

HOLE ID	Easting (m) WGS84Z32N	Northing (m) WGSZ32N	Collar RL (m ASL)	Dip	Azimuth	Depth (m)	From (m)	Zn %	Pb %	Ag g/t	Thickness (m)
GDD084	559743	5085062	943	24	185	142.9	79.2	1.9	0.0	2	1.5
							121.0	4.0	1.1	24	5.65
							130.8	1.3	0.4	9	2.6
Including							124.5	9.2	2.3	43	2.1
GDD085	559743	5085062	943	33	185	77.6	61.2	2.4	0.7	17	1.6
GDD086*	559743	5085062	943	22	219	152.3	124.1	0.6	0.4	19	1.2
GDD087*	559606	5085096	944.4	28	232	92.0	45.2	1.6	0.5	8	15.2
Including							45.2	1.4	0.2	4	2.9
and							52.1	2.5	0.7	12	2.7
and							58.0	4.8	1.9	27	2.4
GDD088*	559606	5085096	944	19	211	124.5	No Significant Intercept				
GDD089	559608	5085096	945				No Significant Intercept				
GDD090	559799	5085048	944.15	40	67	78.0	51.0	3.5	0.8	20	20.4
including							51.0	1.4	0.7	5	0.7
and							57.0	5.2	1.2	29	13.4
including							57.0	13.1	2.6	26	2.2
and							65.5	7.0	1.8	57	5.9
GDD091	559799	5085048	944.15	38	27	111.0	73.3	4.8	1.4	57	16.6
Including							73.3	5.9	0.7	40	0.7
and							78.2	6.3	2.0	73	11.7
including							78.2	13.4	3.8	95	4.9

\* Denotes a hole which did not reach target and was an ineffective test of the primary target horizon

**Notes:**

1. Please refer to ASX announcement released on 1/09/2016 for further details on the results in the above table.
2. Holes GDD090 and GDD091 as quoted above have been calculated at a different cut-off grade of 1.5% Zn to that announced previously which reflects more accurately what would be expected in a mining situation in this area.

**Table 5: Eva Well drilling table & assay results**

HOLE ID	Easting (m) GDA 94 Z51S	Northing (m) GDA 94 Z51S	Collar RL (m ASL)	Dip	Azimuth	Depth (m)	From (m)	Cu ppm	Pb ppm	Zn ppm	Ag ppm	Thickness (m)
EWD1	419868	7536498	400	-50	46	215.9	59	348	571	25	25	26



## JORC Code, 2012 Edition – Table 6 Paterson Historical Exploration Results

### Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>Diamond Drill hole EWD1 was drilled to 45m using percussion techniques to provide a precollar, and a further 171m of diamond tail was drilled for a total depth of 215.9m. No details exist of the precollar size, however, core was taken using NQ core bits. NQ measurements ID of 47.6mm and an OD of 75.7mm. No details of the nature of sampling exist, core was assayed for Cu, Pb, Zn, Co, Ag, and U.</li> <li>No details provided.</li> <li>Mineralisation appears to be wholly contained within weathered rocks.</li> <li>No details provided.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>Diamond Core holes description: <ul style="list-style-type: none"> <li>○ NQ diamond core</li> <li>○ Gemcodril H22 rig</li> </ul> </li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximize sample recovery and ensure representative nature of the samples.</i></li> </ul>	<ul style="list-style-type: none"> <li>No details provided.</li> <li>No details provided.</li> <li>No details provided.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All holes were geologically logged on geological intervals with recording of lithology, mineralisation, veining, structure, oxidation/weathering state, and colour were logged onto to paper and later typed. The holes were not logged to a level of detail sufficient to support future mineral resource estimation, mining studies, and metallurgical investigations.</li> <li>All logging was qualitative.</li> <li>All holes appear to have been logged over their entire length (100%) including any mineralised intersections.</li> </ul>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>No details provided.</li> <li>No details provided.</li> <li>No details provided.</li> <li>No details provided.</li> <li>No details provided.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> </ul>	<ul style="list-style-type: none"> <li>No details provided.</li> <li>No geophysical tools, spectrometers or XRF instruments were used.</li> <li>No details provided.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li><i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>Intersections, core, nor collar locations have not been independently verified.</li> <li>No twin holes have been drilled.</li> <li>All data was logged on paper by hand in the field, and then transcribed to type at a later date.</li> <li>No details provided.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li><i>Specification of the grid system used.</i></li> <li><i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>Collar location was obtained from a hand drawn paper map which has been georeferenced using best data to hand.</li> <li>The grid system used at Eva Well is GDA94_UTM_Zone_51S. Easting and Northing are stated in metres.</li> <li>Topographic control is from 1:250,000 topographic maps.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li><i>Data spacing for reporting of Exploration Results.</i></li> <li><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li><i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>Single hole only being reported on here.</li> <li>No Mineral Resource or Ore Reserve can be supported.</li> <li>Diamond core was sampled as 2m physical composite data, however physical compositing of percussion chips appears to have occurred on geological intervals.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>Unknown.</li> <li>The hole was targeted to hit the down dip extension of a steeply dipping gossanous horizon, if the hole did penetrate the steeply dipping target then it is likely to be slightly biased.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>No details provided.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No details provided.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Eva Well prospect is located in the north of Western Australia, in the Paterson Province. The Eva Well Prospect is a part of the Coolbro Project a combined reporting group which is made up of five (5) granted tenements: E45/4534, E45/2886, E45/4522, E45/4535, and E45/4543. These leases are 100% owned and operated by either Energia Minerals, or Nickelex Pty Ltd, a 100% owned subsidiary of Energia Minerals. The titles are current at the time of release of this report.</li> <li>All tenements are in good standing and no impediments to operating are currently known to exist.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Data presented in this report was taken exclusively from: Bryant, C. 1978 Amax Exploration Australia Inc. Eva Well Rudall, Western Australia. Annual Report December 1978. Available from the Department of Mines and Petroleum Western Australia A9162. Little evidence of other substantial works completed by other parties has been discovered to date.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Eva Well prospect is located within the Broadhurst Formation, within a synclinal structure that sits near the contact with the Coolbro sandstone. The local host lithology is ferruginous gossans, in shale and limestone/dolostone sequences.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material</i></li> </ul>	<ul style="list-style-type: none"> <li>Information material to the understanding of the exploration results is provided in the text of the release.</li> <li>No information has been excluded.</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>Drill hole Information (cont'd)</i>	<p><i>drill holes:</i></p> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> <ul style="list-style-type: none"> <li>● <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>● <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li>● <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i></li> <li>● <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>● Not applicable, geological contacts used to define the intervals.</li> <li>● Not applicable.</li> <li>● Not applicable.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>● <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>● <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>● <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>● No substantive details are available.</li> <li>● Broad inferences have been made above.</li> <li>● Unknown.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>● <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should</i></li> </ul>	<ul style="list-style-type: none"> <li>● Please refer to Figures 9 for this data.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<i>include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>The results reported in the above text are comprehensively reported in a balanced manner as far as information to hand allows.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Not currently available.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Unknown.</li> <li>Please refer to Figure 9 for areas that are open to extensions, these are shown as high priority exploration targets. Release of future detailed drilling plan data is commercially sensitive, subject to change on review; and will not be detailed here.</li> </ul>

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

ENERGIA MINERALS LIMITED
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### ABN

63 078 510 988

### Quarter ended ("current quarter")

30 SEPTEMBER 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	5	5
1.2 Payments for		
(a) exploration & evaluation	(2,094)	(2,094)
(b) development	-	-
(c) production	-	-
(d) staff costs	(554)	(554)
(e) administration and corporate costs	(183)	(183)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)		
- Italian VAT paid	(340)	(340)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(3,162)</b>	<b>(3,162)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(8)	(8)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	3,503	3,503
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>3,495</b>	<b>3,495</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(13)	(13)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(27)	(27)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(40)</b>	<b>(40)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2,495	2,495
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(3,162)	(3,162)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	3,495	3,495
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(40)	(40)
4.5	Effect of movement in exchange rates on cash held	(27)	(27)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,761</b>	<b>2,761</b>



5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1    Bank balances	2,655	1,217
5.2    Call deposits	106	1,278
5.3    Bank overdrafts	-	-
5.4    Other (provide details)	-	-
<b>5.5    Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,761</b>	<b>2,495</b>

**Note:**

*On 14 October 2016, the Company completed a non-renounceable rights issue. Accordingly, 174,006,475 fully paid ordinary shares have been issued at an issue price of \$0.035 (3.5 cents) to raise total proceeds of \$6.09 million before costs.*

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1    Aggregate amount of payments to these parties included in item 1.2	210
6.2    Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3    Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1 Being the salary and superannuation of the Executive Chairman, and Managing Director plus Non-Executive Director fees and superannuation. Includes the termination payment and accrued leave entitlements paid to the Finance Director of \$64k.

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1    Aggregate amount of payments to these parties included in item 1.2	-
7.2    Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3    Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify) – Bank Guarantee	45	45
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The facility is associated with an unconditional bank guarantee provided by the National Australia Bank. The guarantee is provided by way of a fully utilised finance facility secured by a fixed term cash deposit. No interest is currently paid on the facility.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	2,750
9.2 Development	-
9.3 Production	-
9.4 Staff costs	500
9.5 Administration and corporate costs	250
9.6 Other (provide details if material)	500
<b>9.7 Total estimated cash outflows</b>	<b>4,000</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

### **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(~~Director~~/Company secretary)

Date: 25 October 2016

Print name: Jamie Armes

### **Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.