PANTORO

Quarterly Report

Ending 30 June 2016

Key Highlights

Operations

- Acquisition of the final 20% of the Halls Creek Project, taking PNR ownership to 100%.
- 46% increase in gold production over March 2016 quarter to 6,673 ounces of gold.
- C1 Cost A$993/ounce, AISC cost reduced by 35% to A$1,191/ounce.
- Ore Reserve upgrade increased Proven and Probable Ore Reserves by 12% to 96,827 ounces after depletion.
- Current underground developed stocks of 62,400 tonnes @ 11.24 g/t (including dilution) for 22,550 ounces available for stope production.
- Open pits advanced with initial Probable Ore Reserve of 16,350 ounces (95% metallurgical recovery) aiming for October 2106 commencement.
- Plant capacity upgrade assessment and construction commenced.

Resource Development

- New splay vein identified 80 m north of Mother Lode outside of Mineral Resource. The upper portions of the new splay vein have also been intersected in development with individual face samples grades up to 642 g/t Au.
  - » NUD16028 – **9.7 m @ 27.07 g/t Au** (Hall Lode/New Splay).

Outstanding Underground Extensional Exploration Results

- » NUD16010 – **2.2 m @ 39.8 g/t Au inc. 0.7 m @ 95.2 g/t** (Anderson Lode).
- » NUD16015 – **1.3 m @ 41.8 g/t Au inc. 0.7 m @ 60.8 g/t** (Johnston Lode).
- » NUD16017 – **1.5 m @ 29.6 g/t Au** (Johnston Lode).
- » NGC16003 – **1.7 m @ 258.8 g/t Au inc. 0.8 m @ 548.0 g/t Au** (Hall Lode).
- » NUD16028 – **9.7 m @ 27.07 g/t Au inc. 0.95m @ 34.6 g/t Au, 0.6m @ 65.5 g/t Au, and 0.7m @ 104 g/t Au** (Hall Lode/Newly identified splay vein).
- » NUD16026 – **1.85 m @ 16.94 g/t Au and 75.41g/t Ag inc. 0.3 m @ 46.3 g/t Au** (Johnston Lode Extension).
- » NUD16030 – **4.2 m @ 15.51 g/t Au** (Mother Lode Depth Extension).

Corporate

- The company ended the quarter with cash and gold of $6.11 million, and debt of 4,944 ounces of gold with a total of 1,619 ounces repaid during the quarter. In addition, 140 ounces were repaid on behalf of Bulletin Resources Limited (**Bulletin**) prior to acquisition finalisation in accordance with the acquisition agreement. A further 1,236 ounces of debt were assumed from Bulletin when the acquisition of the final 20% of Halls Creek Project was completed in July 2016.
- Issue of 130 million new shares as consideration for acquisition of the final 20% of the Halls Creek Project subsequent to the end of the quarter.
- All outstanding convertible notes converted to shares and options (final $100,000 of convertible notes converted subsequent to the end of the quarter).

Enquiries

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About Pantoro Limited

Pantoro is one of Australia's newest gold producers with its 100% owned Nicolsons Gold Mine now in production. Nicolsons is part of the Halls Creek Gold Project in the Kimberly Region of Western Australia. The project provides the company with a platform for growth through the operation of its first producing gold asset, which includes an existing high-grade Mineral Resource (218,000 ounces) and a 150,000 tonne per annum processing plant at the Nicolsons Mine. Pantoro is the sole manager of the project through its wholly owned subsidiary Halls Creek Mining Pty Ltd.

Pantoro commenced construction and refurbishment works at Nicolsons during February 2015 and commenced production in Q3 2015. To date gold production has exceeded the modelled Ore Reserve, providing additional upside to both the tonnage and grade potential of the mine.

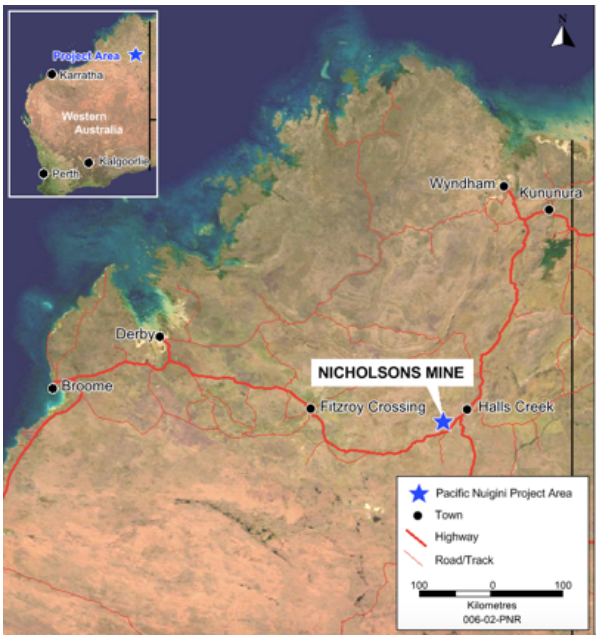
In addition to the Halls Creek Project, Pantoro's exploration portfolio in Papua New Guinea is highly prospective for the discovery of world-class gold and copper deposits.

One of Pantoro's key discoveries is the Garaina Prospect in the Morobe Province, where Pantoro has discovered a large surface copper and gold anomaly, which has been further delineated by geophysical surveys, grid based geochemical assays, surface costean sampling and drilling. The discovery has potential to be developed into a large scale deposit through further exploration.

Pantoro also holds a 50% interest in ML457 Widubosh in joint venture with PNG Forest Products. The PNG government extended the term of ML457 for a further 20 years in 2012, and the joint venture has completed extensive bulk sampling at the project. ML457 provides an additional opportunity for production for the company.

Activities Report

Halls Creek Project – Western Australia



The Halls Creek Project Location

The Halls Creek Project includes the Nicolsons Mine, (35 km south west of Halls Creek) and a pipeline of exploration and development prospects located east of Halls Creek in the Kimberley Region of Western Australia.

Pantoro acquired the project during April 2014, and took possession of the site in May 2014 enacting its rapid development plan for the project.

First production was achieved at Nicolsons in the September 2015 quarter.

The project currently has a declared Mineral Resource of 218,000 ounces of gold. Mine development and production to date has revealed a significant overcall to the feasibility Ore Reserve. An Ore Reserve update was completed in May 2016, with further updates planned as underground drilling and development progresses.

Production activities have also resulted in silver production with approximately one ounce of silver recovered for every two ounces of gold produced to date.

The project region has been sporadically explored over a number of years. Prospecting has shown significant potential in the immediate area, which remains sparsely explored with minimal drill testing of targets outside of the existing resources (beneath and immediately adjacent to the existing open pits).

Pantoro has a clear growth plan in place for Nicolsons which consists of:

- Ramping up production to exceed feasibility levels by taking advantage of the large Ore Reserve upgrades achieved in levels developed to date and delineating additional mining areas through underground definition drilling;
- Expanding the underground Mineral Resource and Ore Reserve through near mine exploration activities along strike of and beneath the existing Mineral Resource;
- Developing open pits at the existing Rowdies and Wagtail deposits in the near term;
- Expanding processing plant capacity to +200,000 tpa in the near term. Further plant expansions to increase capacity beyond 200,000 tpa are at concept stage.
- Advancing exploration beneath and along strike of the Rowdies and Wagtail deposits, and in drill ready targets including Paddock Well, Shifty's and Springvale Fault;
- Progressing regional exploration where a number of new and existing prospects are being advanced through detailed geological mapping and sampling.

Quarterly Progress – Nicolsons Mine

The June quarter saw production approaching name plate capacity. A total of 6,673 ounces were produced, up from 4,583 ounces in the previous quarter, representing a 46% production improvement for the period. Increased grade compared with the original feasibility plan has strongly contributed to production, and total mill throughput remained well below capacity due to constraints around the number of ore sources available. This allows for production above expected levels in the short term. With a number of development and stoping fronts now available, production is increasing and record mine production during July 2016 has led to excellent ore availability for the ensuing quarter.

Key operating statistics for the quarter are set out in the table below:

	FY 2016				Current Quarter		
Physical Summary	**Q1**	**Q2**	**Q3**	**Q4**	**Apr-16**	**May-16**	**Jun-16**
UG Ore Mined	8,270	17,217	22,792	28,358	9,225	9,592	9,542
UG Grade Mined	4.70	7.53	6.58	7.73	9.51	5.69	8.07
Ore Processed	7,645	20,861	23,893	26,331	8,649	8,565	9,117
Head Grade	4.18	6.71	6.33	8.12	9.86	6.45	8.04
Recovery	93.7%	92.7%	94.3%	97.1%	96.4%	96.3%	98.5%
Gold Produced	963	4,180	4,582	6,673	2,641	1,712	2,320
Cost Summary ($/Oz)							
C1 Cash Cost	**$-**	**$1,194**	**$1,199**	**$993**	**$867**	**$1,319**	**$897**
Royalties	$-	$12	$46	$40	$36	$41	$44
Marketing/Cost of sales	$-	$5	$8	$7	$6	$7	$7
Sustaining Capital	$-	$277	$336	$130	$70	$152	$181
Reclamation & other adj.	$-	$-	$-	-	$-	$-	$-
Corporate Costs	$-	$14	$18	$21	$23	$26	$15
All-in Sustaining Costs	**$-**	**$1,502**	**$1,607**	**$1,191**	**$1,002**	**$1,545**	**$1,145**
Major Project Capital	$6,374	$464	$432	$534	$476	$680	$491
Exploration Cost	$112	$15	$9	$7	$8	$3	$7
Project Capital	**$6,486**	**$479**	**$441**	**$540**	**$485**	**$684**	**$498**

Quarterly Project performance, showing marked cost improvement in Q4, FY 2016 with AISC under $1,200/ounce.

Acquisition of the final 20% of the Halls Creek Project

Pantoro agreed to acquire the final 20% of the Halls Creek Project during the quarter, taking its ownership to 100%. Pantoro took economic ownership of the project from 1 May 2016 on a walk-in walk-out basis, and the deal settled on 14 July 2016. Under the terms of the agreement:

- Pantoro issued 130 million ordinary shares to Bulletin Resources Limited (**Bulletin**) (**Consideration Shares**).
- Bulletin distributed a total of 88 million Consideration Shares to its shareholders on 25 July 2016.
- Pantoro assumed the obligations of Bulletin in relation to its financing facility with the Commonwealth Bank of Australia which included a 1,376 ounce gold pre-payment facility, and a 3,504 ounce gold hedging facility with a flat forward price of $1,568 per ounce. In relation to the gold hedging facility, Pantoro and Bulletin will each be entitled to and liable for 50% difference between spot price and the hedge price at the time that the hedges are filled.

Full details of the agreement are set out in the ASX market release on 2 May 2016.

Underground Ore Reserve Update

Pantoro released a Mineral Resource and Ore Reserve update for Nicolsons mine to the ASX on 30 May 2016. The mined area at Nicolsons between the 2220 level and 2170 level was re-modelled, and integrated with the balance of the Mineral Resource and Ore Reserve estimate for Nicolsons. The re-modelled zone returned a Mineral Resource which is a 91% increase to the original Mineral Resource and an 87% increase to the original Ore Reserve.

The re-modelled zone combined with global Nicolsons Ore Reserve resulted in a Proven and Probable Ore Reserve of 96,827 ounces after mining depletion, compared with a pre-mining Ore Reserve of 86,362 ounces. The increased Ore Reserve estimate after depletion was 12,159 ounces. The Ore Reserve grade within the re-modelled zone increased from 6.17 g/t to 9.81 g/t, demonstrating the high grade performance of the mine to date.

At the current time, Nicolsons underground developed stocks stand at 62,400 tonnes @ 11.24 g/t (including dilution) for 22,550 ounces, providing a strong platform for mine production over the coming year. The developed stocks are a subset of the declared Ore Reserves. Stope stocks are to be mined using a combination of long hole, flat back and airleg stoping methods.

Pantoro believes that strong potential exists for continued Mineral Resource and Ore Reserve upgrades as mining and underground diamond drilling progresses into the deeper levels of mine and the currently undeveloped Northern & Southern zones.

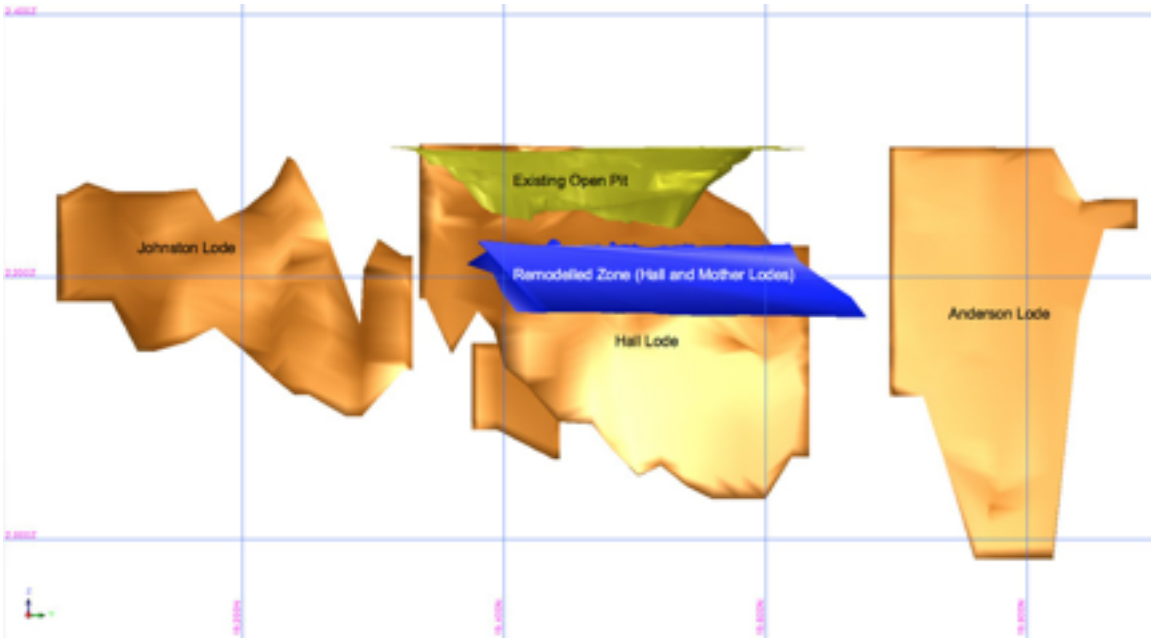


Diagram showing the re-modelled zone

Full details of the Mineral Resource and Ore Reserve update are included in the ASX announcement titled 'Mineral Resource and Ore Reserve Upgrade Demonstrates Strong Growth Potential at Nicolsons ' and dated 30 May 2016.

Continued high grade development and production outside of the Ore Reserve

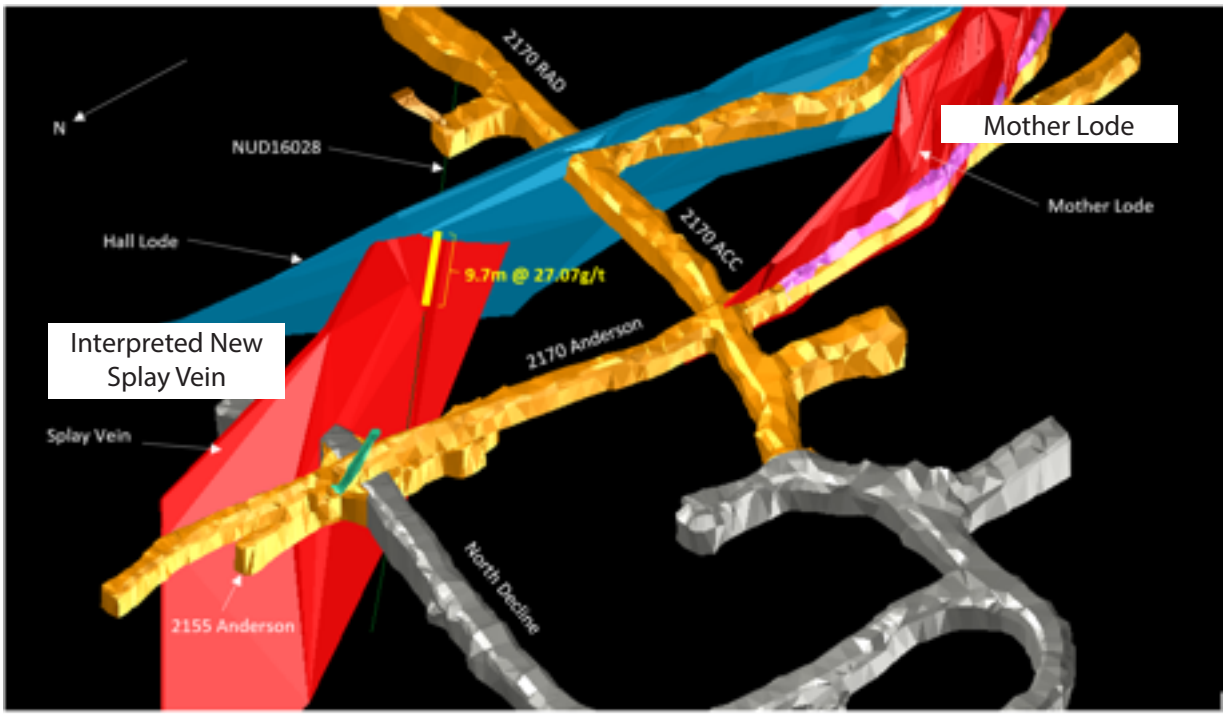
Ongoing development at Nicolsons has continued to uncover additional high grade ore outside of the current Ore Reserve. High grade ore developed outside of the Ore Reserve includes:

Hall Lode – the Hall Lode has continued to produce high grade development beyond the limits of the original Ore reserve and in line with the current Ore Reserve in the 2185 and 2170 level.

Mother Lode – Development on the Mother Lode has continued with the 2170 level development demonstrating the continued improvement of the lode at depth. The 2155 Mother Lode is expected to be accessed during August 2016.

Anderson Lode – Southern extensions of the Anderson Lode have now been developed on the 2185, 2170, and 2155 lodes. The mineralisation is typically 1 to 1.5m wide with grades typical of mineralisation within the Ore Reserve.

New un-named splay vein – An additional splay vein has been discovered approximately 80 m north of the Mother Lode through a combination of development and diamond drilling. The mineralisation appears to be very similar in nature and gold tenor when compared with the Mother Lode. Additional work is planned for the splay vein, which has potential to substantially increase the overall gold tenor in the Ore Reserve when considered in the context of what the Mother Lode has produced to date.



Isometric view of the newly discovered splay vein relative to the Mother Lode Position

Open Pit Ore Reserves and Mine Plan

Pantoro completed the evaluation of its Wagtail and Rowdies prospects which culminated in the definition of initial open pit Ore Reserves contained in three small, high-grade open pits. Feasibility Studies on the two resources located only 1.5 km south of the Nicolsons Processing plant returned a strongly positive outcome allowing for a significant output in low-cost production, planned to commence during the current calendar year.

The Ore Reserve is a subset of the Rowdies and Wagtail Mineral Resources which were released to the ASX on 19 May 2014.

Key outcomes of the Feasibility Study include:

- Ore Reserve estimate 96,500 tonnes @ 5.55 g/t Au.
- Estimated recoverable ounces 16,350 ounces (95% metallurgical recovery).
- Total all in cost of gold produced - A$956/oz.
- Estimated open pit life – 9 months.
- Estimated time to positive cash flow – 1 month.
- Net profit - A$12.2 million @ A$1,700 per ounce.

As a consequence of mining the Ore Reserve an additional 4,400 tonnes @ 2.86 g/t Au of Inferred Mineral Resources within the pit design is accessed, providing additional upside for the project.

Full details of the Rowdies and Wagtail open pit Mineral Resources and Ore Reserves are set out in the ASX announcement titled 'Open Pit Mining to Expand Nicolsons Production' dated 12 May 2016.

Grade control drilling for the open pits commenced subsequent to the end of the quarter, with results and finalisation of the mining model to be completed during August/September 2016.

Mining of the open pits has been tendered to a number of qualified contractors, with the preferred contractor selected. The mining contract will be finalised during the September 2016 quarter, and mining is planned to commence shortly thereafter.

Extensional Exploration and Resource/Reserve Updates

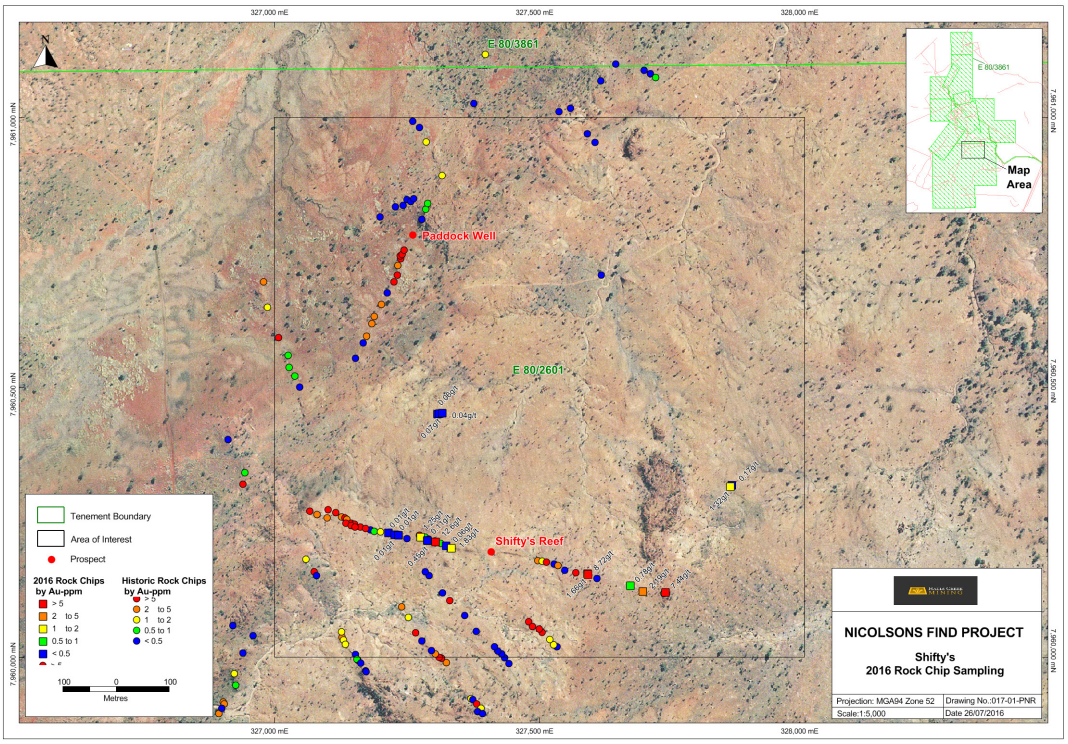
Pantoro released a number of drilling results subsequent to the end of the quarter. All drilling results reported during and subsequent to the end of the period are set out in the table in Appendix 1. The best reported results include:

- NUD16010 – **2.2 m @ 39.8 g/t Au inc. 0.7 m @ 95.2 g/t** (Anderson Lode).
- NUD16015 – **1.3 m @ 41.8 g/t Au inc. 0.7 m @ 60.8 g/t** (Johnston Lode).
- NUD16017 – **1.5 m @ 29.6 g/t Au** (Johnston Lode).
- NGC16003 – **1.7 m @ 258.8 g/t Au inc. 0.8 m @ 548.0 g/t Au** (Hall Lode).
- NUD16028 – **9.7 m @ 27.07 g/t Au inc. 0.95m @ 34.6 g/t Au, 0.6m @ 65.5 g/t Au, and 0.7m @ 104 g/t Au** (Hall Lode/Newly identified Splay Vein).
- NUD16026 – **1.85 m @ 16.94 g/t Au and 75.41g/t Ag inc. 0.3 m @ 46.3 g/t Au** (Johnston Lode Extension).
- NUD16030 – **4.2 m @ 15.51 g/t Au** (Mother Lode Depth Extension).

Regional Exploration Update

Additional mapping and rock chip sampling was undertaken at the Shifty's prospect approximately 3.5 km south of the Nicolsons Mill. Shifty's is approximately 700 m of quartz outcrop which has had minor historical sampling and drill testing with RC drilling at its western end over approximately 150 m of strike with encouraging results.

Pantoro has undertaken additional sampling during the period, infilling gaps in the dataset, focused on the eastern end of the vein. Of particular interest is the identification of anomalous gold grades in structurally disrupted and poorly outcropping quartz to the north of the Main Shifty's reef, on what is interpreted as a parallel structure.



Rock chip sampling location diagram

A review is currently underway with detailed mapping of the prospect area to be undertaken and a broad program of soil geochemistry and geophysics designed to cover the whole tenement package is under review.

Pantoro mobilised a UDR drill rig capable of drilling both RC and Diamond holes to the site during July 2016. There is a clear drilling plan in place with priorities including:

1. Rowdies and Wagtail grade control drilling;
2. Nicolsons North exploration and in-fill drilling;
3. Johnston lode southern extension drilling;
4. Paddock Well exploration drilling.

Rock chip sampling results for the quarter are set out in the table in Appendix 1.

Processing Plant

The processing plant continued to operate to expectation with overall gold recovery of 97.1% for the quarter. When adequate ore material has been available, the processing plant has operated at feasibility design throughput. The plant has scope to further increase throughput and gold production when additional ore feed is available.

Upgrade works of the processing plant are progressing with a gold room expansion well underway, and modification of the classification circuit planned to be completed early in August 2016. The modification will reduce the amount of material reporting to the gravity circuit, removing the plant bottle neck. Detailed engineering for additional leaching tanks is underway, with an objective of commencing tank manufacture before the end of 2016. A tertiary crushing step is also being considered. Based on work undertaken to date, processing capacity will be increased to 200,000 to 220,000 tonnes per annum when the upgrade is completed.

Subsequent to the end of the quarter, the mill suffered a pinion bearing failure just before a planned shutdown. The failure caused down time of approximately135 hours, compared with the planned mill shut down of 48 to 60 hours. The mill returned to full operation on 22 July 2016. Mining has continued at record rates throughout July 2016, and lost production is expected to be made up over the ensuing quarter.

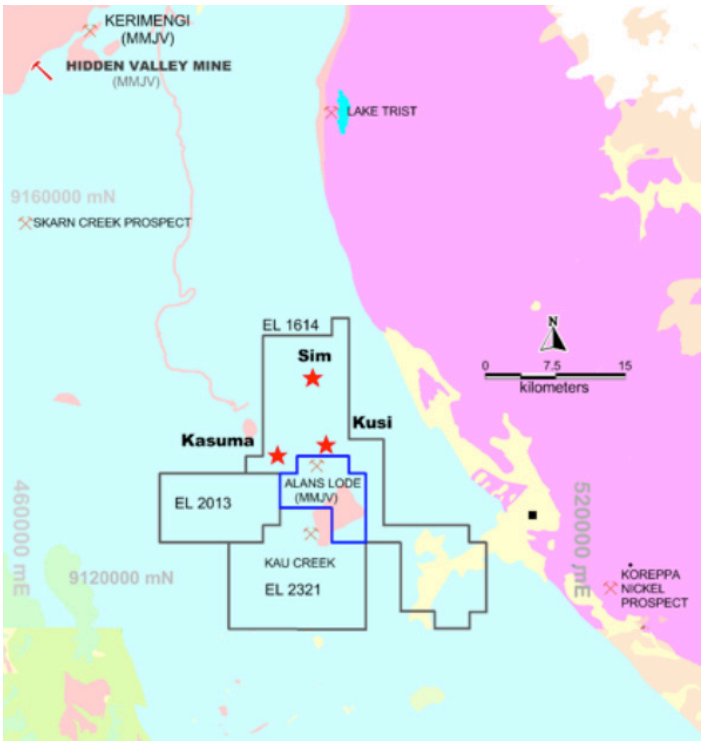
Ensuing Quarter

The stoping cycle will be optimised during the quarter, with the aim of maintaining the maximum processing plant throughput for the whole quarter. As at 26 July 2016, record mine production had been achieved for the month, and higher levels of production than achieved to date are expected to continue quartering the September quarter.

Works to bring the planned open pits to operation early in Q4 of calendar year 2016 will be completed. A short grade control ad infill drilling program is underway, and final approvals are well advanced. The operations team will continue to work towards maximising mine output and processing plant production while upgrades are being undertaken.

Underground diamond drilling during the quarter will be focussed on three main areas including extensional exploration at depth in the Hall and Mother Lodes, and depth extensions to the Johnston Lode. Infill drilling in the Anderson Lode will also be undertaken.

Papua New Guinea Projects



Garaina Project (EL1614 and EL 2013), Morobe Province, Papua New Guinea (100%)

The Garaina Project is Pantoro's premier exploration target, located 100 km southeast of the Hidden Valley Mine and Wau Town, in the Morobe province, covering an area of approximately 380 km^2. The tenement area covers the suture zone between the Owen Stanley Metamorphic thrust to the west and the Papuan Ultramafic to the east. Most of the EL is underlain by the Owen Stanley metamorphic complex, which is common to the majority of the known major mineral deposits in PNG.

Pantoro discovered significant surface mineralisation at the Kusi Prospect in January 2011 and since that time has completed extensive exploration programs with exciting surface exploration and drilling results.

Field campaigns have identified mineralisation and alteration signatures similar to those seen at the Kusi Prospect as far north as the Sim Prospect, and as far west as the Kasuma Prospect.

Quarterly Activity

Activity during the quarter has been focused on consolidation of regional tenements, and consideration of joint venture opportunities for the project is ongoing The previously announced option to acquire EL1629 gained ministerial approval during the quarter and the option agreement has been executed.

Under the terms of the agreement, Pantoro paid the initial annual option fee of A$25,000. Pantoro is responsible for maintaining the tenement in good standing during the option period.

Pantoro may elect to purchase 100% of EL1629 during the option period for a sum of A$1 million.

Bulolo and Widubosh Projects, EL1616 and ML 457 – Morobe Province

Pantoro holds ML457 in 50-50 joint venture with PNG Forest products, the dominant landowner and employer in the region. Pantoro holds 50% ownership of the fully permitted Widubosh Project (ML 457). ML457 lies approximately 10 km north of the Bulolo township near the confluence of the Bulolo and Watut Rivers. The tenement has been the subject of extensive bulk sampling by Pantoro, and is available for development by the joint venture partners.

Corporate Information

There were a number of share movements during the quarter, resulting from convertible notes being converted to shares and options, and a number of options being exercised. In all, a total of $1.72 million in convertible notes were converted to shares. A total of 28,697,918 shares were issued during the quarter.

The company structure as at 30 June 2016 is provided in the table below.

Cash & Gold	$6.11 million[1]
Ordinary Shares (PNR)	536,312,188[2]
Listed Options (PNRO)	48,942,491 (exercisable at $0.06, expiring 25/08/17)
Debt	4,944 ounces of gold and normal trade creditors
Convertible notes	$0.1 million convertible at $0.06
Unlisted Options	35,000,002 (exercisable at $0.06, various expiry dates)
Employee Options	6,900,000 (various exercise prices and expiry dates)
Performance Rights	2,500,000 (various expiry dates)
Options converted during the quarter	31,250

1. Gold at mint of 507 ounces. Sold at an average price of $1,790 per ounce (including treatment charges) after the end of the quarter. 155 ounces of gold doré on hand at an assumed price of $1,790 per ounce.
2. Subsequent to the end of the quarter, Pantoro issued 130 million shares to Bulletin Resources Limited as consideration for the purchase of the last 20% of the Halls Creek Project. In addition, the final $0.1 million of convertible notes in the company were converted with a further 1.67 million shares and 1.67 million options issued.

Compliance Statements

Halls Creek Project – Exploration Targets, Exploration Results and Mineral Resources
The information in this report that relates to Exploration Targets, Exploration Results and Mineral Resources is based on information compiled by Mr. Scott Huffadine B.Sc. (Hons) MAusIMM who is an employee of Pantoro Limited. Mr. Huffadine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Huffadine consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Huffadine is eligible to participate in short and long term incentive plans of and holds shares and options in the Company as has been previously disclosed.

Halls Creek Project – Ore Reserves
The information in this report that relates to Ore Reserves is based on information compiled by Mr. Paul Cmrlec (B. Eng (Mining) (Hons)), MAusIMM who is the Managing Director of Pantoro Limited. Mr. Cmrlec has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Cmrlec consents to the inclusion in this report of the matters based on his information in the form and context in which it appears. Mr. Cmrlec is eligible to participate in short and long term incentive plans of and holds shares and options in the Company as has been previously disclosed.

Halls Creek Project – Nicolsons Mine – Mineral Resources & Ore Reserves
The information is extracted from the report entitled 'Mineral Resource and Ore Reserve Upgrade Demonstrates Strong Growth Potential at Nicolsons' created on 30 May 2016 and is available to view on Pantoro's website (www.pantoro.com.au). 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 and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Halls Creek Project – Open Pit Mineral Resources & Ore Reserves
The information is extracted from the report entitled 'Open Pit Mining to Expand Nicolsons Production' created on 12 May 2016 and is available to view on Pantoro's website (www.pantoro.com.au). 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 and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Appendix 1 – Exploration Results for the Quarter

EXPLORATION RESULTS FOR THE QUARTER – DRILL RESULTS REPORTED ON 1 JUNE 2016

Target	Hole No	Easting (Local)	Northing (Local)	RL (Local)	Dip (°)	Azimuth (°)	End of Hole Depth (m)	From (m)	Downhole Intersection (m)	Au g/t (uncut)	True Width (m)
Anderson	NUD16010	10046.5	19693	2185	-26	037	138	107.3	2.2	39.84	1.2
Johnston	NUD16015	10091.5	19421	2220	-41	208	173.4	147.4	1.3	41.83	0.8
Johnston	NUD16017	10091.5	19421	2220	-21	212.5	169.5	161	1.5	29.58	0.9
Potential HW Structurres	NUD16005	10138	19654	2187	0	159	68.6	64	0.2	0.82	0.2

The information is extracted from the report entitled 'Very High Grade Diamond Drilling Results Support Potential for Further Upgrades at Nicolsons' created on 1 June 2016 and is available to view on Pantoro's Website (www.pantoro.com.au). 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. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

EXPLORATION RESULTS FOR THE QUARTER – DRILL RESULTS REPORTED ON 28 JUNE 2016

Target	Hole No	Easting (Local)	Northing (Local)	RL (Local)	Dip (°)	Azimuth (°)	End of Hole Depth (m)	From (m)	Downhole Intersection (m)	Au g/t (uncut)	True Width (m)
Johnston	NUD16011	10091.7	19418.5	2220	-38	219.7	141.8	130	1.9	9.54	1.2
Johnston	NUD16011	10091.7	19418.5	2220	-38	219.7	141.8	127.2	0.6	10.5	0.4
Johnston	NUD16011	10091.7	19418.5	2220	-38	219.7	141.8	135.8	0.4	8.88	0.25
Johnston	NUD16012	10092	19419	2220	-41	208	147.6	127.3	0.85	4.24	0.8
Johnston	NUD16013	10093	19419	2220	-51	200	177.4	163.3	1.55	3.99	1.5
Anderson	NUD16019	10050	19712	2162	-6	100	210.3	53.1	2.1	11.21	2.0
Hall	NGC16003	10125	19443	2190	0	272	15	6.3	1.7	258.8	1.4
Anderson	NGC16004	10095	19595	2190	0	272	22	3	0.7	1.26	0.6
Anderson	NGC16005	10095.5	19595	2190	1	225	29.1	12.5	0.4	10.7	0.4

The information is extracted from the report entitled 'Continued high grade drilling success at Nicolsons' created on 28 June 2016 and is available to view on Pantoro's Website (www.pantoro.com.au). 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. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

EXPLORATION RESULTS FOR THE QUARTER – DRILL RESULTS REPORTED ON 27 JULY 2016

Target	Hole No	Easting	Northing	RL	Dip (°)	Azimuth (°)	End of Hole Depth (m)	Downhole From (m)	Downhole To (m)	Downhole Intersection (m)	True Width (m)	Au g/t (uncut)	Ag g/t (uncut)*	Cu % (uncut)*
Hanging Wall Exploration	NUD16018	10121.5	19648.3	2171.1	-27.7	104.9	102					NSA	-	-
Johnston Lode	NUD16022	10091.6	19421.0	2222.0	-76	272.4	220.9	119.30	120.20	0.90	0.70	5.36	-	-
Johnston Lode	NUD16023	10091.6	19421.0	2222.0	-55	272.4	131.4	109.00	109.80	0.80	0.75	1.20	-	-
Johnston Lode	NUD16024	10091.6	19421.0	2222.0	-45	272.4	113					NSA	-	-
Johnston Lode	NUD16025	10091.6	19421.0	2222.0	-54	314.6	140.5	129.70	130.00	0.30	0.20	3.30	-	-
Johnston Lode	NUD16026	10092.9	19420.4	2220.2	-70.5	226.8	149	4.00	6.00	2.00	1.25	1.26	-	-
Johnston Lode	NUD16026	10092.9	19420.4	2220.2	-70.5	226.8	149	22.50	23.20	0.70	0.45	2.37	-	-
Johnston Lode	NUD16026	10092.9	19420.4	2220.2	-70.5	226.8	149	127.45	129.30	1.85	1.15	16.94	75.41	8.06%
Johnston Lode	NUD16026						including	128.10	128.40	0.30	0.20	46.30	-	-
Johnston Lode	NUD16027	10093.3	19423.5	2220.1	-67.2	329.3	191.9	131.90	132.20	0.30	0.15	2.50	-	-
Johnston Lode	NUD16027	10093.3	19423.5	2220.1	-67.2	329.3	191.9	137.00	137.60	0.60	0.25	1.57	-	-
Johnston Lode	NUD16027	10093.3	19423.5	2220.1	-67.2	329.3	191.9	138.20	139.20	1.00	0.40	1.09	-	-
Hall Lode/Repeated Splay Intersection	NUD16028	10155.6	19654.8	2172.0	-24	311	89.7	24.00	24.60	0.60	0.25	3.60	-	-
Hall Lode/Repeated Splay Intersection	NUD16028	10155.6	19654.8	2172.0	-24	311	89.7	29.00	38.70	9.7	3.80	27.07	-	-
Hall Lode/Repeated Splay Intersection	NUD16028						including	30.85	31.80	0.95		34.60	-	-
Hall Lode/Repeated Splay Intersection	NUD16028							32.75	33.35`	0.6		65.50	-	-
Hall Lode/Repeated Splay Intersection	NUD16028							37.00	37.70	0.7		104.00	-	-
Hall Lode/Repeated Splay Intersection	NUD16028	10155.6	19654.8	2172.0	-24	311	89.7	41.40	43.90	2.5	0.95	2.60	-	-
Mother Lode/Anderson Lode Intersection	NUD16030	10157.2	19649.6	2171.5	-51	206	134.8	76.00	80.20	4.2	2.75	15.51	-	-
Mother Lode	NUD16031	10156.0	19651.0	2170.0	-18	193	131	118.70	120.90	2.20	1.25	1.34	-	-
Mother Lode	NUD16033	10158.0	19649.3	2172.2	-32	189	145.5					Assays pending		

The information is extracted from the report entitled 'Outstanding Drilling Results Including Discovery of a Second Splay Vein' created on 27 July 2016 and is available to view on Pantoro's Website (www.pantoro.com.au). 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. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

* Silver and copper only assayed where indicated.

EXPLORATION RESULTS FOR THE QUARTER – ROCK CHIP SAMPLING

Location	Sample ID	MGA94_E	MGA94_N	Thickness (m)	Au (g/t) (uncut)
Shiftys	PNX00000	327671	7960134	1.5	0.78
Shiftys	PNX00001	327695	7960124	1.5	2.19
Shiftys	PNX00002	327737	7960122	1.5	7.44
Shiftys	PNX00003	327591	7960155	1.5	1.66
Shiftys	BO44885	327307	7960452	2	0.07
Shiftys	BO44886	327311	7960453	2	0.06
Shiftys	BO44887	327316	7960454	2	0.04
Shiftys	BO44888	327215	7960232	1	0.01
Shiftys	BO44889	327227	7960229	1	0.005
Shiftys	BO44890	327234	7960228	0.5	0.005
Shiftys	BO44891	327276	7960224	2	1.25
Shiftys	BO44892	327288	7960218	0.5	0.11
Shiftys	BO44893	327288	7960218	0.5	0.45
Shiftys	BO44894	327304	7960215	2	12.6
Shiftys	BO44895	327324	7960208	2	0.06
Shiftys	BO44896	327334	7960204	2	1.83
Shiftys	BO49431	327590	7960157	1	8.72
Shiftys	BO49436	327862	7960320	0.5	0.17
Shiftys	BO49447	327860	7960318	0.7	1.32

Appendix 2 – JORC Code 2012 Edition– Table 1 Report: Nicolsons Underground Diamond Drilling and Rockchip Sampling

SECTION 1: SAMPLING TECHNIQUES AND DATA – HALLS CREEK

Criteria	JORC Code explanation	Commentary
Sampling techniques	• 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. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • 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.	• This release relates to results from an ongoing underground diamond drilling program at the Nicolsons underground deposit and rockchip sampling related to the assessment of regional prospectivity at the Nicolsons gold project. • The diamond drill core sampled is NQ2 • All core is logged and sampled according to geology, with only selected samples assayed. Core is halved, with one side assayed, and the other half retained in core trays on site for further analysis. Samples are a maximum of 1.2m, with shorter intervals utilised according to geology. • Core is aligned,measured and marked up in metre intervals referenced back to downhole core blocks . • Diamond drilling is completed to industry standard and various sample intervals based on geology (0.3m-1.2m) are selected based on geology. • Diamond core are dispatched to an external accredited laboratory where they are crushed and pulverized to a pulp (P90 75 micron) for fire assay (40g charge). Surface rockchip samples 1-3kg samples are prepared at the onsite laboratory and 500g pulp (P90 75 micron) is delivered to an accredited laboratory in Perth for fire assay (40g charge) • Visible gold is encountered and where observed during logging, Screen Fire Assays are conducted • Rock chip samples are collected by hand using a rock hammer with multiple pieces of rock collected at one location for each sample. • Rock chip sample locations are recorded using a handheld GPS. Sample rock types were recorded where the rock was identifiable. • Rock chip samples are collected directly from the rock. Samples taken were dry. • Rock chip and float chip samples are inherently variable and do not accurately represent the average grade of the surrounding rock. Rock chip and float samples are used as a non-quantitative guide for assessing prospectivity hence are regarded as suitable for this purpose.
Drilling techniques	• 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).	• Underground diamond drilling is completed utilizing NQ2 (standard tube) • Core is oriented routinely utilizing a Ezi-Mark orientation device

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • 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.	• All holes were logged at site by an experienced geologist. Recovery and sample quality were visually observed and recorded • Diamond drilling practices result in high recovery in competent ground as part of the current drill program • No significant core loss has been noted in fresh material. Good core recovery has generally been achieved in all sample types in the current drilling program.
Logging	• 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. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged.	• Geological logging is completed by a qualified geologist and logging parameters include: depth from, depth to, condition, weathering, oxidation, lithology, texture, colour, alteration style, alteration intensity, alteration mineralogy, sulphide content and composition, quartz content, veining, and general comments. • Logging is quantitative and qualitative with all core photographed wet • 100% of the relevant intersections are logged • Rock chip samples are described and key geological parameters recorded
Sub-sampling techniques and sample preparation	• If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • 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. • Whether sample sizes are appropriate to the grain size of the material being sampled.	• Core samples were sawn in half utilising an Almonte core-saw, with one half used for assaying and the other half retained in core trays on site for future analysis. • For core samples, core was separated into sample intervals and separately bagged for analysis at the certified laboratory. • Core was cut under the supervision of an experienced geologist, was routinely cut on the orientation line. • All mineralised zones in diamond core are sampled as well as material considered barren either side of the mineralised interval • Field duplicates i.e. other half of core or ¼ core has not been routinely sampled • Half core is considered appropriate for diamond drill samples.
Quality of assay data and laboratory tests	• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • 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. • 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.	• Assays are completed in a certified laboratory in Perth WA. Gold assays are determined using fire assay with 40g charge. Where other elements are assayed using either AAS base metal suite or acid digest with ICP-MS finish. The methods used approach total mineral consumption and are typical of industry standard practice. • No geophysical logging of drilling was performed. • Lab standards, blanks and repeats are included as part of the QAQC system. In addition the laboratory has its own internal QAQC comprising standards, blanks and duplicates. Sample preparation checks of pulverising at the laboratory include tests to check that the standards of 90% passing 75 micron is being achieved. Follow-up re-assaying is performed by the laboratory upon company request following review of assay data. Acceptable bias and precision is noted in results given the nature of the deposit and the level of classification

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data.	• Significant intersections are noted in logging and checked with assay results by company personnel both on site and in Perth. Diamond drilling confirms the width of the mineralised intersections. • There are no twinned holes drilled as part of these results • All primary data is logged on paper and later entered into the SQL database. Data is visually checked for errors before being sent to an external database manager for further validation and uploaded into an offsite database. Hard copies of original drill logs are kept in onsite office. • Visual checks of the data re completed in Surpac mining software • No adjustments have been made to assay data unless in instances where standard tolerances are not met and reassay is ordered .
Location of data points	• 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. • Specification of the grid system used. • Quality and adequacy of topographic control.	• Drilling is surveyed using conventional survey. Downhole surveys are conducted during drilling using a Reflex survey tool. All holes are surveyed down the hole at 15m, 30m and every 30m thereafter. When the hole is completed, multishots are taken every 6m from EOH when tripping rods. • Rock chip locations are recorded by a handheld Garmin GPS the location co-ordinates may have an error of by up to 2 metres due to drift. • The project lies in MGA 94, zone 52. Local coordinates are derived by conversion: GDA94_EAST =NIC_EAST * 0.9983364 + NIC_NORTH * 0.05607807 + 315269.176 GDA94_NORTH = NIC_EAST * (-0.05607807) + NIC_NORTH * 0.9983364 + 7944798.421 GDA94_RL =NIC-RL + 101.799
Data spacing and distribution	• Data spacing for reporting of Exploration Results. • 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. • Whether sample compositing has been applied.	• Drill hole spacing at Nicolson's underground is variable due to the nature of drilling fans from suitable underground drilling platforms. Spacing of centres is generally targeted at between 40 m by 40 m with infill as required. • Rockchip locations are point data taken at locations of interest identified by geologist undertaking regional and prospect scale reconnaissance. • The Competent Person is of the view that the drill/sample spacing, geological interpretation and grade continuity of the data supports the resource categories assigned. • No compositing is applied to diamond drilling or face sampling. • Core samples are both sampled to geology of between 0.3 and 1.2m intervals.
Orientation of data in relation to geological structure	• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • 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.	• Drilling is generally perpendicular to the orebody other than the limitations introduced by the need to drill fans. All intervals are reviewed relative to the understanding of the geology and true widths calculated and reported in the tables attached in the body of the report. • No bias of sampling is believed to exist through the drilling orientation.

Criteria	JORC Code explanation	Commentary
Sample security	• The measures taken to ensure sample security.	• The chain of custody is managed by Pantoro employees and contractors. Samples are stored on site and delivered in sealed boxes and bags to the lab in Perth • Samples are tracked during shipping.
Audits or reviews	• The results of any audits or reviews of sampling techniques and data.	• No audit or reviews of sampling techniques have been undertaken however the data is managed by an offsite database contractor who has internal checks/ protocols in place.

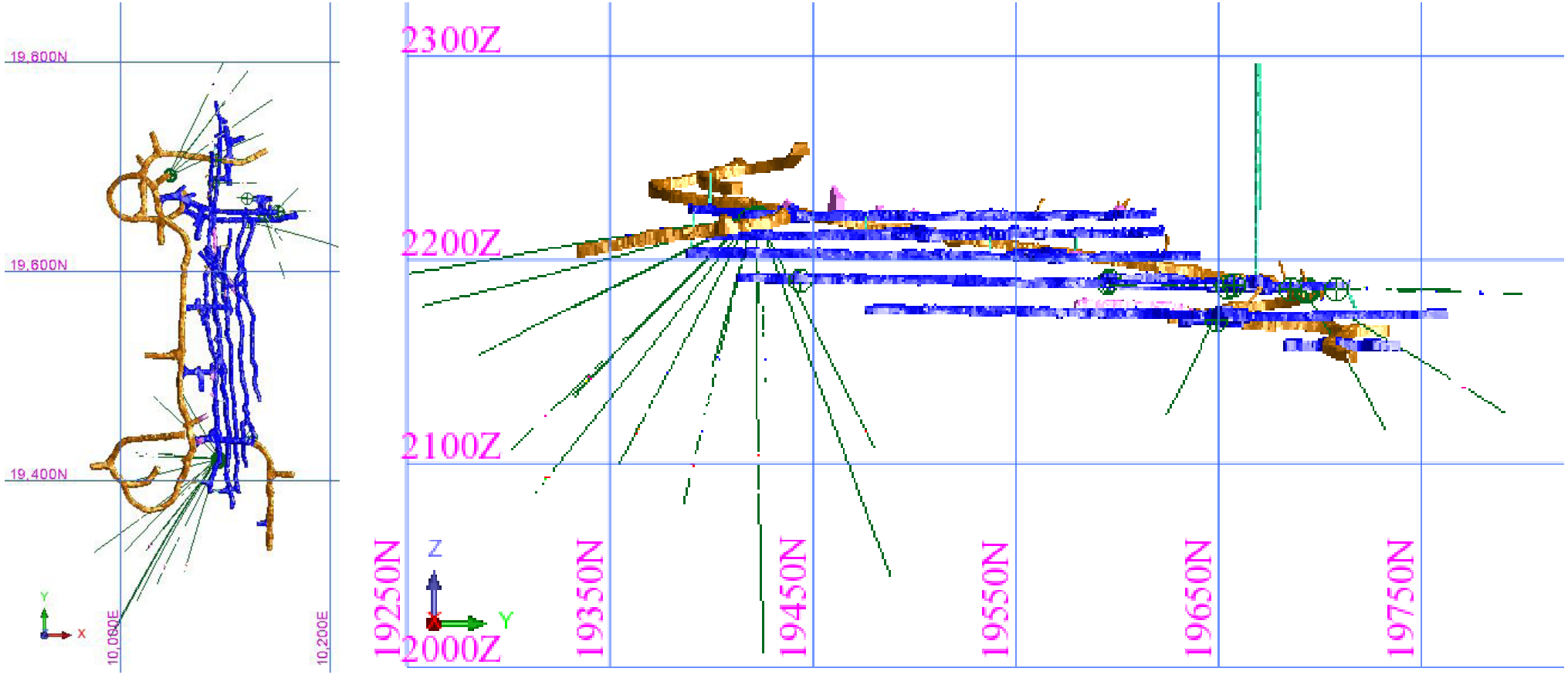
SECTION 2: REPORTING OF EXPLORATION RESULTS – HALLS CREEK

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• 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. • 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.	• Tenements containing Resources and Reserves are 80% held by Pantoro subsidiary company Halls Creek Mining Pty Ltd. They are: M80/343, M80/355, M80/359, M80/503 and M80/471. M80/362 Tenement transfers to HCM are yet to occur as stamp duty assessments have not been completed by the office of state revenue. Pantoro recently announced an agreement to acquire 100% of the tenements, however the transaction is not yet complete. The tenements lie on a pastoral lease with access and mining agreements and predate native title claims. • The tenements are in good standing and no known impediments exist.
Exploration done by other parties	• Acknowledgment and appraisal of exploration by other parties.	• The deposits were discovered by prospectors in the early 1990s. After an 8,500 m RC program, Precious Metals Australia mined 23 koz at an estimated 7.7g/t Au from Nicolson's Pit in 1995/96 before ceasing the operation. Rewah mined the Wagtail and Rowdy pits (5 koz at 2.7g/t Au) in 2002/3 before Terra Gold Mines (TGM) acquired the project, carried out 12,000 m of RC drilling and produced a 100 koz resource estimate. GBS Gold acquired TGM and drilled 4,000 m before being placed in administration. Bulletin Resources Ltd acquired the project from administrators and conducted exploration work focused on Nicolsons and the Wagtail Deposits and completed regional exploration drilling and evaluation and completed a Mining Study in 2012 prior to entering into a JV with PNR in 2014.

Criteria	JORC Code explanation	Commentary
Geology	• Deposit type, geological setting and style of mineralisation.	• Gold mineralisation in the Nicolson's Find area is structurally controlled within the 400 m wide NNE trending dextral strike slip Nicolson's Find Shear Zone (NFSZ) and is hosted within folded and metamorphosed turbiditic greywackes, felsic volcaniclastics, mafic volcanics and laminated siltstones and mudstones. This zone forms part of a regional NE-trending strike slip fault system developed across the Halls Creek Orogen (HCO). • The NFSZ comprises a NNE-trending anastomosing system of brittle-ductile shears, characterised by a predominantly dextral sense of movement. The principal shear structures trend NNE to N-S and are linked by NW, and to a lesser extent, by NE shears. Individual shears extend up to 500m along strike and overprint the earlier folding and penetrative cleavage of the HCO. • The overall geometry of the system is characterized by right step-overs and bends/jogs in the shear traces, reflecting refraction of the shears about the granite contact. Within this system, the NW-striking shears are interpreted as compressional structures and the NE-striking shears formed within extensional windows. • Mineralisation is primarily focussed along NNE trending anastomosing systems of NNE-SSW, NW-SE and NE-SW oriented shears and splays. The NNE shears dip moderately to the east, while the NW set dips moderately to steeply to the NE. Both sets display variations in dip, with flattening and steepening which result in a complex pattern of shear intersections.. • Mineralisation is strongly correlated with discontinuous quartz veining and with Fe-Si-K alteration halos developed in the wall rocks to the veins. The NE shears are associated with broad zones of silicification and thicker quartz veining (typically white, massive quartz with less fracturing and brecciation); however, these are typically poorly mineralized. The NW-trending shears are mineralized, with the lodes most likely related to high fluid pressures with over-pressuring and failure leading to vein formation. Although the NE structures formed within the same shear system, the quartz veining is of a different generation to the mineralized veins. • Individual shears within the system display an increase in strain towards their centres and comprise an anastomosing shear fabric reminiscent of the pattern on a larger scale.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: » easting and northing of the drill hole collar » elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar » dip and azimuth of the hole » down hole length and interception depth » hole length. • 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.	• A table of drill hole data and the development face pertaining to this release is attached. • All holes with results available from the last public announcement are reported.
Data aggregation methods	• 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. • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated.	• Reported drill results are uncut • All relevant intervals to the reported mineralised intercept are length weighted to determine the average grade for the reported intercept. • No metal equivalents are reported.
Relationship between mineralisation widths and intercept lengths	• These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • 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').	• Drilling from the underground is drilled from locations which mean there are variable dips and azimuths due to access limitations • Downhole lengths are reported and true widths are calculated in both the section and plan view utiliising a formulae in excel • True widths are calculated and reported for drill intersections which intersect the lodes obliquely.
Diagrams	• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	• Appropriate diagrams are included in the report.
Balanced reporting	• 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.	• All holes available since the last report are included in the tables • Diagrams show the location and tenor of both high and low grade samples.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• 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.	• No other meaningful data to report.
Further work	• The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	• As already noted these drilling results are part of an ongoing program to define and extend the known resource. • Further infill drilling will be planned on the basis of interpretation of the results as they become available.



Plan view and long section view (looking west). Nicolsons local grid.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Pantoro Limited

ABN	Quarter ended ("current quarter")
30 003 207 467	30 June 2016

Consolidated statement of cash flows

		Current quarter $A'000	Year to date $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	7,246	17,340
1.2	Payments for (a) exploration & evaluation	(134)	(441)
	(b) mine pre-development & exploration	(2,606)	(8,978)
	(c) production	(6,299)	(16,010)
	(d) administration	(277)	(1,093)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	13	84
1.5	Interest and other costs of finance paid	(37)	(46)
1.6	Income taxes paid (Rebate)	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(2,094)	(9,144)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(1,211)	(3,124)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	93
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (Acquisition of 20% of the Nicolsons JV from Bulletin – Cashcalls post effective date)	1,225	1,225

+ See chapter 19 for defined terms.

	Net investing cash flows	14	(1,806)
1.13	Total operating and investing cash flows (carried forward)	(2,080)	(10,950)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2	6,013
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	3,300
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (share issue costs)	-	(172)
	Net financing cash flows	2	9,141
	Net increase (decrease) in cash held	(2,078)	(1,809)
1.20	Cash at beginning of quarter/year to date	7,009	6,766
1.21	Exchange rate adjustments to item 1.20	(3)	(29)
1.22	**Cash at end of quarter**	4,928	4,928

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	238
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Total amounts paid to directors including salaries, directors fees, superannuation and consulting fees

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 $A'000	Amount used $A'000
3.1	Loan facilities (Gold Prepayment)	8,097	8,097

+ See chapter 19 for defined terms.

3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration	70
4.2	Project Evaluation and Development	3,250
4.3	Production	4,950
4.4	Administration	300
4.5	Plant and equipment	880
	Total	**9,450**

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	164	875
5.2	Deposits at call	4,764	6,134
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	4,928	7,009

+ See chapter 19 for defined terms.

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	EL1629 (PNG)	Option to acquire tenement (see Quarterly Report ending 31 March 2016).	0%	0%

+ 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**	565,312,188	565,312,188	Fully Paid	Fully Paid
7.4	Changes during quarter (a) Increases through issues	28,697,918	28,697,918	Fully Paid	Fully Paid
	(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5	**+Convertible debt securities** (*See Schedule A)*	100	-	$1,000	$1,000
7.6	Changes during quarter (a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	1,720 (converted)	-	$1,000	$1,000
7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
		48,942,491	48,942,491	6 cents	25/08/2017
		2,000,000	-	9 cents	21/11/2016
		4,833,334	-	6 cents	26/02/2018
		1,500,000	-	6 cents	17/03/2018
		12,000,001	-	6 cents	26/05/2018
		16,666,667	-	6 cents	23/06/2018
		2,650,000	-	10 cents	30/06/2018
		2,250,000	-	10 cents	30/01/2019
	Performance Rights				
		1,500,000	-	Nil	21/11/2016
		500,000	-	Nil	30/01/2017
		500,000	-	Nil	30/01/2019

+ See chapter 19 for defined terms.

7.8	Issued during quarter			*Exercise Price*	*Expiry Date*
	Options	12,000,001 16,666,667	- -	6 cents 6 cents	26/05/2018 23/06/2018
	Performance Rights	-	-	-	-
7.9	Exercised during quarter			*Exercise Price*	*Expiry Date*
	Options	31,250	31,250	6 cents	6 cents
	Performance Rights	-	-	-	-
7.10	Expired during quarter			*Exercise Price*	*Expiry Date*
	Options	500,000	-	18.5 cents	30/05/2016
	Performance rights	-	-	-	-
	Cancelled during quarter				
	Options	650,000	-	6 cents	30/06/2018
	Performance rights	500,000	-	Nil	30/01/2017
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

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

Sign here: David Okeby (Company Secretary) Date: 28 July 2018

Print name: David Okeby

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.

+ See chapter 19 for defined terms.

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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Schedule A – Key Terms of the Convertible Notes

Date of Issue	14 July 2015
Notes Issued	3,300 (3,200 converted, 100 remain as of 30 June 2016).
Face Value	$1,000 per note
Coupon Rate	8% per annum, payable six monthly in cash or Shares at the election of the convertible note holders.
Conversion	Convertible notes can be converted to Shares at $0.06 per share at the holder's election prior to the Maturity Date. The Company has 10 business days to issue Shares and Options upon receipt of a conversion notice. Interest can be converted into Shares at the same rate the election of the holder. If, at any time prior to the conversion of a convertible note, the issued capital of the Company is reorganised (including consolidation, subdivision, reduction or return), the basis for conversion of the convertible notes will be reconstructed so as to ensure that the holder will not be disadvantaged by the reorganisation in its position relative to Shareholders, but at the same time will not receive a benefit that the Shareholders do not also receive.
Bonus Option	On conversion, one Option will be granted per Share if converted by 10 July 2016 issue and one Option will be granted per two Shares if converted after 10 July 2016. The Options expire two years after the date of grant and will be exercisable at $0.06.
Maturity Date	If the CBA Financing Facility has been fully discharged, the maturity date will be 31 December 2017. If the CBA facility is not fully discharged, and CBA does not otherwise consent, maturity will occur two months after its discharge.
Redemption	If not converted prior to the Maturity Date, the Company must redeem all outstanding convertible notes and applicable interest on the Maturity Date.
ASX Quotation	The convertible notes are not listed on the ASX but the Company must apply for ASX quotation upon the issue of Shares on the conversion of Convertible Notes. Any Options granted upon the conversion of convertible notes will be unlisted. The Company will apply for ASX quotation upon the issue of Shares issued upon the conversion of such Options.
Transfer	Convertible note holders may transfer their convertible notes by lodging a transfer with the company in a specified form or a form approved by the Directors.
Events of Default	The following are events of default: (a) the Company defaults in paying monies outstanding in respect of convertible notes for 20 business days after a demand is made by the holder; (b) the Company materially breaches a condition of the convertible notes which has not been rectified within 20 business days of a notice from the holder requesting rectification; or (c) the Commonwealth Bank of Australia takes steps to enforce its security in relation to the Company or its subsidiaries or assets. If an event of default occurs, each holder of a convertible note may issue a notice for immediately redemption of the outstanding convertible notes they hold, commence proceedings for the winding up of the Company (or other action relating to enforcement of payment of outstanding monies) and prove in any liquidation of the Company.

+ See chapter 19 for defined terms.