ASX Announcement

28 July 2016

energia minerals limited
ABN: 63 078 510 988

Quarterly Activities Report
Period Ending 30 June 2016

Key Points

Gorno Zinc Project

- ***No OHS incidents reported during the period.***
- ***Exploration Decline advanced by 203m to 249m and currently at 309m.***
- ***Ore Sorting testwork confirms that 94% Zn recovery with approximately 40% rejection of waste can be achieved.***
- ***Locked cycle metallurgical testwork resulted in very high overall zinc recoveries of 90% (inclusive of loss through Ore Sorter) at concentrate grades in excess of 60% Zn.***
- ***11 diamond drill holes (GDD078 - GDD088) for 1,160 metres completed during the Quarter.***
- ***Assays received from 24 diamond drill holes (GDD058 and GDD061 – GDD083).***
- ***Revised Resource Estimate, incorporating better than expected results from infill drilling, to be completed by November 2016.***
- ***Definitive Feasibility Study (DFS) on track for completion in December 2016.***

Corporate

- ***Cash and listed securities at end of June of approximately A$6.4M comprising A$2.5M cash and A$3.9M in listed securities.***

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Gorno Zinc Project, Italy (100% owned)

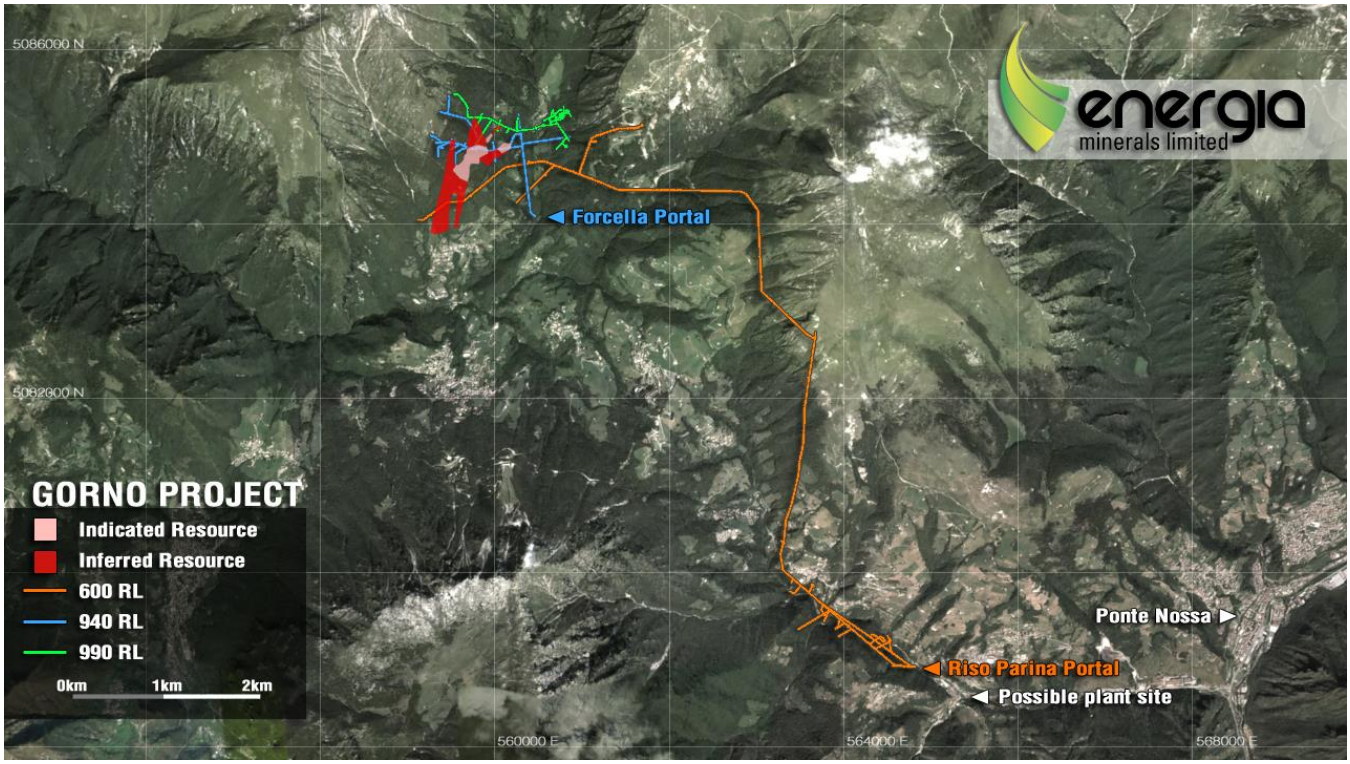

Figure 1: Gorno Zinc Project – Site Layout

Colonna Zorzone Development

Safety and Environment

No Occupational Health and Safety (OHS) incidents were recorded during the period although a number of unsafe acts and near misses occurred which have all been addressed.

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 continues within the Riso Parina adit and both hydrological modelling in consultation with relevant authorities and noise monitoring has commenced. Air monitoring continues underground and general air monitoring will commence in September.

Definitive Feasibility Study (DFS)

During the period, work on the DFS, which is anticipated to be completed during the December 2016 Quarter continued. This has focussed on optimising the process flowsheet including Ore Sorting and metallurgical testwork as well as baseline environmental work and preliminary mine planning.

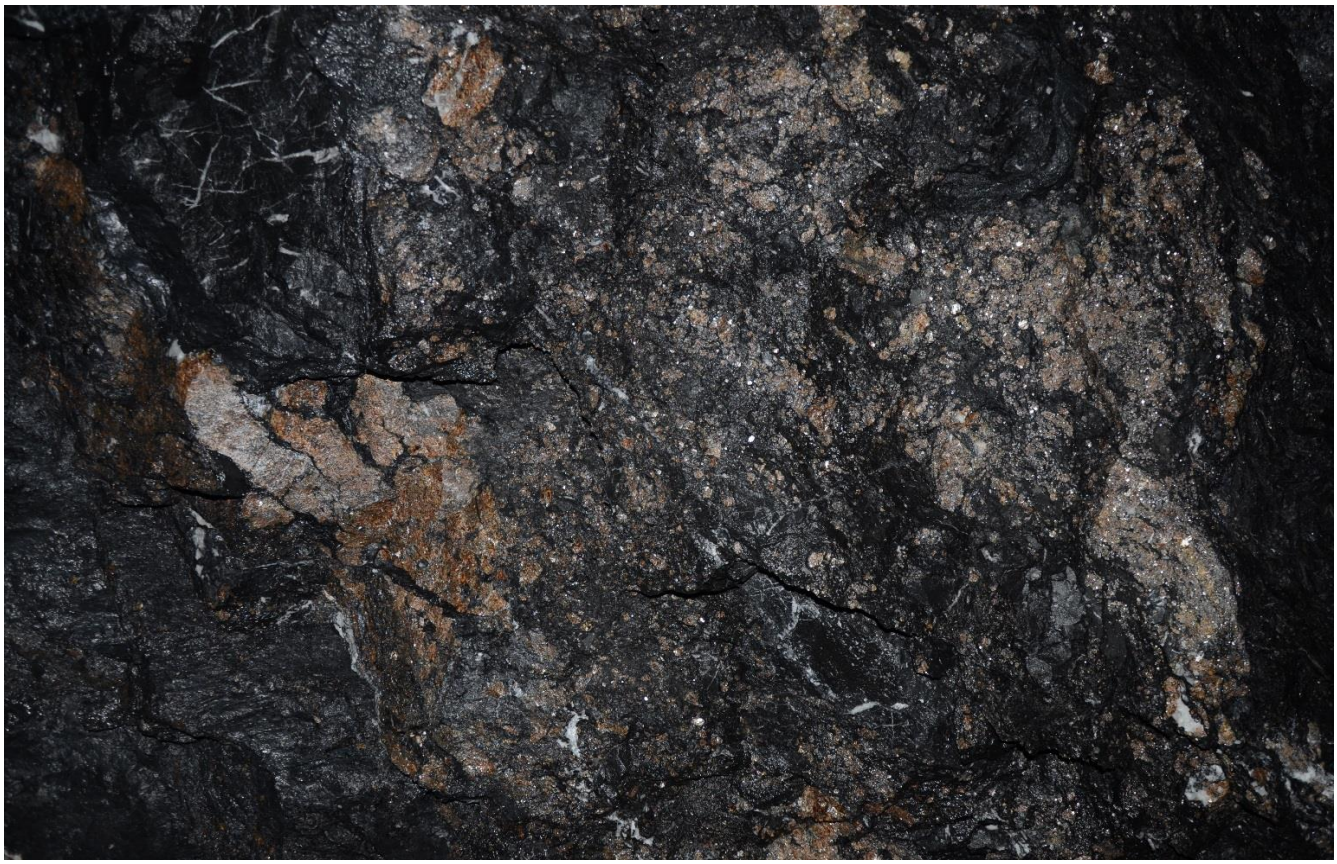

Figure 2: High-grade zinc mineralisation in cross-cut on the 940 level from where bulk samples for Ore Sorting test work have been extracted

Ore Sorting

Testwork using a Dual Energy XRT Ore Sorter was completed by Tomra Outotec on a 4.1 tonne bulk sample extracted from a crosscut within the Indicated Resource on the 940 level (see Figure 2 above) and the results from this work are summarised in Table 1.

The bulk sample was extracted from a cross-cut along the same trajectory as diamond hole GDD011 (see Figure 6 for location) 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 conservatively selected on the basis that it was considered to be potentially the least amenable for ore sorting.

The bulk sample was crushed and screened into three fractions, with two of these fractions (12.5-30mm - 1.78t and 30-70mm - 1.38t) processed in a series of eight tests run at different sensitivities, under Outotec's supervision at the Tomra sorting test facility in Germany.

Best results from the 12.5-30mm and 30-70mm fractions were achieved in tests 3 and 8 respectively, which produced combined metal recoveries of **94.1% for zinc, 93.5% for lead and 92.8% for silver with a rejection of approximately 60%**. In these two samples, the grade increased from a feed grade of **7.6% Zn+Pb and 23g/t silver to a calculated combined grade of 18.5% Zn+Pb and 54g/t silver with the combined grade of the reject fraction achieving a very low 0.8% Zn+Pb and 3g/t of silver.**

The third fraction (<12.5mm – 1.75t) was not processed and in a production scenario this fraction would be recombined with the upgraded material, railed to the flotation plant and fed into the grinding circuit. Taking this into account, the testwork has demonstrated that an overall rejection from the Ore Sorters of approximately 40% should be readily achieved from run-of-mine (ROM) ore.

These results, which could be further optimised by reducing the coarsest size fraction to 30-60mm, will translate into a significant reduction in underground transport and treatment costs which will be quantified during the DFS.

Additionally, the reject fraction from ore sorting would be produced underground at the Colonna Zorzone mine-site and be utilised as backfill in a future mining operation, resulting in further cost savings. The higher grades being fed into the processing plant would also result in less tailings being produced.

Test	Fraction mm	Mass Rejected %	Recovery Zinc %	Upgrade Zinc %	Recovery Lead %	Upgrade Lead %	Recovery Silver %	Upgrade Silver %
1	12.5-30	42.1	96.6	167	96.1	165	96.1	166
2	12.5-30	48.5	95.9	186	95.7	186	95.9	186
3	**12.5-30**	**57.6**	**93.6**	**220**	**93.4**	**223**	**91.6**	**216**
4	12.5-30	67.5	90.2	277	90.1	275	87.7	269
5	30-70	50.0	96.0	193	95.2	189	95.0	190
6	30-70	61.6	94.9	246	94.0	246	91.8	238
7	30-70	46.4	95.6	178	94.9	176	94.1	175
8	**30-70**	**62.8**	**94.4**	**254**	**93.6**	**253**	**93.7**	**251**

Table 1: Bulk Sample Dual Energy XRT Sorting Results

A separate bulk sample has been despatched to Steinert Global in Germany for their assessment and results are expected shortly.

Conceptually, it is planned to install ore sorters close to the minesite at Colonna Zorzone between the proposed primary crusher (also located underground at Colonna Zorzone) before transporting pre-concentrate to the grinding circuit located in the Gorno region via the 10.5km long Riso-Parina adit.

Metallurgy

Another ROM sample from the same crosscut (see Figure 2) and a second sample of material upgraded through Outokumpu Tomra's Ore Sorter were collected to conduct locked cycle test work through Grinding Solutions Pty Ltd's (GSL) facilities in Cornwall, United Kingdom.

These both returned excellent recoveries of zinc (>90%), achieving zinc concentrate grades in excess of 60% zinc, with the upgraded sample achieving 95.7% recovery to a 63.08% concentrate grade with very low impurity levels (1.4%Pb, 0.011%Cu, 0.55%Fe, 0.007%As, <0.0001%Bi, 0.04%Sb, 0.02%Hg, <0.01F and 1.55%SiO_2). If a 6% loss of zinc is assumed for processing through the Ore Sorter, then the overall zinc recovery can be expected to be 90%.

Work is continuing on the lead and silver recoveries and the focus of ongoing locked cycle work is to improve the silver recovery by floating as much of the minerals Bournonite and Tetrahedrite into the lead concentrate as possible, which will also have a positive impact on lead recovery but potentially result in a small antimony penalty in the lead concentrate.

A conceptual process flowsheet is detailed in Figure 3. At this point of metallurgical investigation a decision on a zinc oxide flotation circuit has not been finalised, however, testwork with GSL is ongoing and a zinc oxide circuit will be a likely inclusion in the final design.

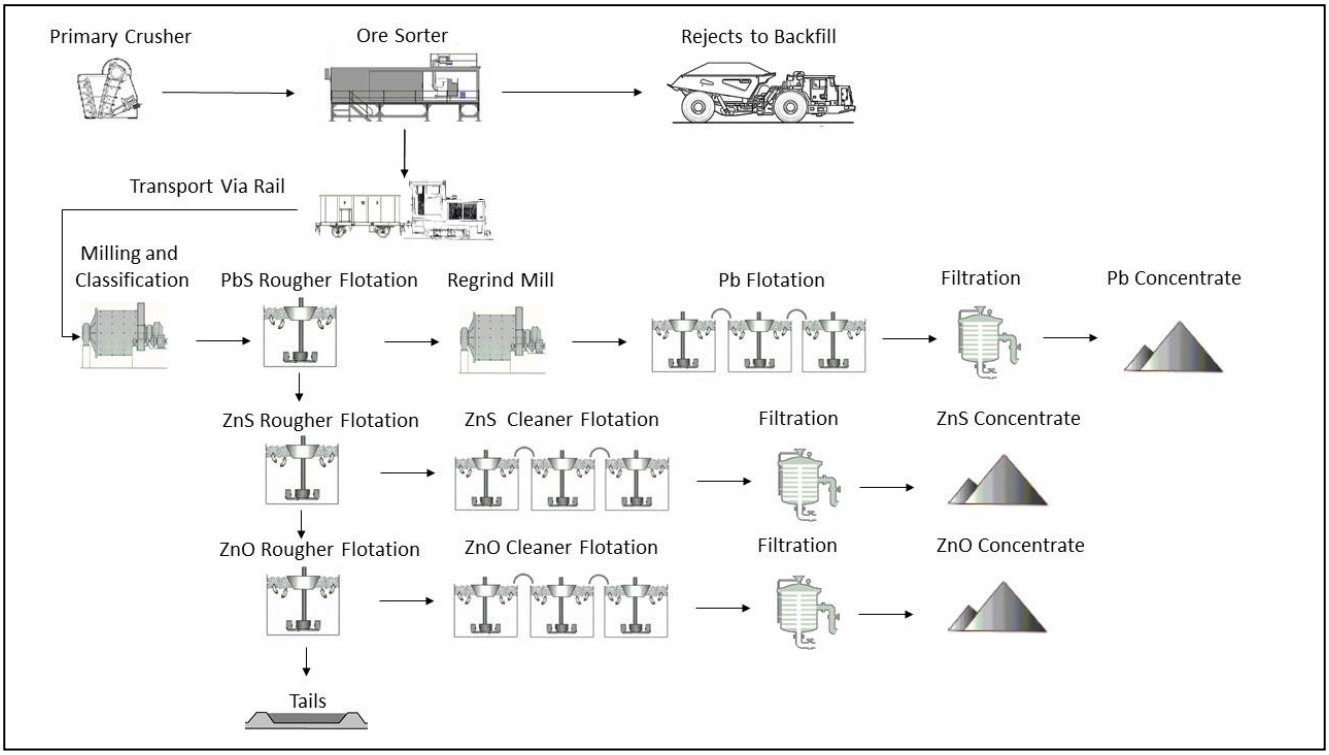

Figure 3: Conceptual Processing Plant Flowsheet

Exploration Decline

During the period, the 3.0m by 3.5m Exploration Decline, which commenced on 15 March to access positions to drill out the Inferred Resource below the 850 level, had advanced to 245.54m. At the time of writing, the decline had reached 309m and passed the first drill cuddy position. It is expected that the second drill cuddy position will be reached during August.

Figure 4: Exploration Decline Currently Under Construction

Diamond Drilling Program

During the period, Energia's diamond drilling fleet was reduced to one rig which was predominantly focussed on drilling within the currently defined Inferred Resource in advance of a resource revision to be carried out by November 2016. 11 holes (GDD078-GDD088) were completed for 1,159.70 metres bringing the total to date for the project to 7,550.10 metres.

Assays were received from 24 diamond drill holes (GDD058 and GDD061 – GDD083) with the majority of these from within or peripheral to the previously announced Inferred Resource above the 940 RL level. Results from within the Inferred Resource include the following impressive intersections which is likely to result in an increased resource grade for this area:

- **10.7m at 3.8% zinc, 1.4% lead, 15g/t silver (GDD066)**
- **11.4m at 6.5% zinc, 2.0% lead, 25g/t silver (GDD068)**
- **4.6m at 25.6% zinc, 4.7% lead, 71g/t silver (GDD071)**
- **7.8m at 6.5% zinc, 2.5% lead, 30g/t silver and 15.8m at 4.6% zinc, 1.1% lead, 35g/t silver (GDD081)**
- **14.9m at 17.6% zinc, 3.4% lead, 40g/t silver (GDD082)**
- **7.1m at 26.5% zinc, 2.5% lead, 95g/t silver (GDD083)**

An encouraging intersection was also received from **GDD070 (1.6m at 10.2% Zn+Pb)** to the east of the currently defined resource which will immediately be followed up with additional drilling.

A high-grade result of **5.1m at 21.7% Zn+Pb** was also achieved in exploration hole GDD069, located 500 metres to the east of the currently defined resource at Colonna Zorzone. This intersection is entirely oxidised and will not be followed up as part of the current planned drilling program but it does demonstrate the broader exploration potential of the Gorno region.

An attempt was made to drill the area to the north of the high-grade intersections in diamond drill holes GDD068 and GDD071. Three holes (GDD086 – GDD088) were drilled and abandoned before reaching target because of excessive deviation and this high quality target will now be drilled from an alternative location.

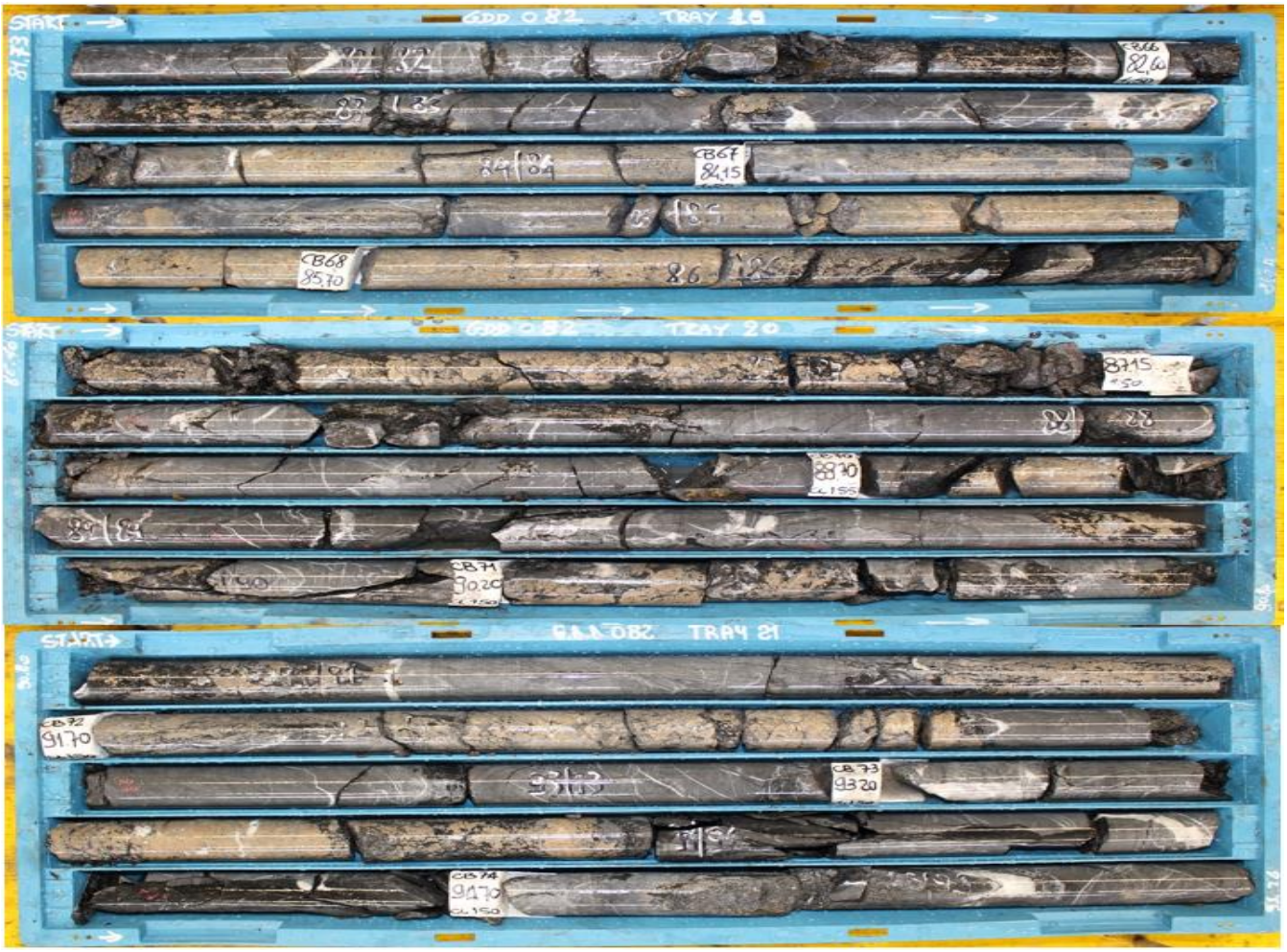

Figure 5: Massive Zinc and Lead Sulphides in GDD082

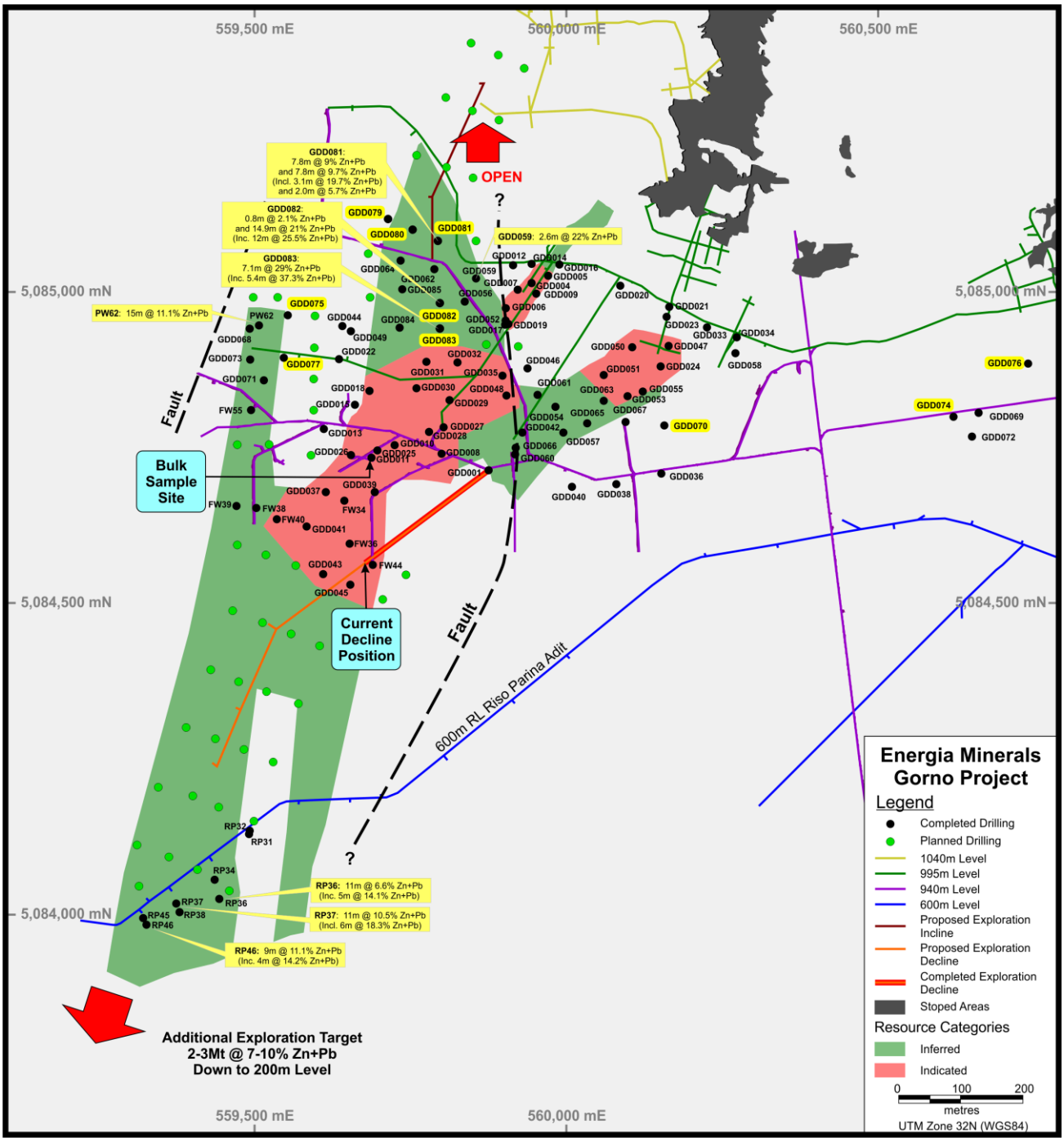

Figure 6: Resource Outlines and Drilling Program

Exploration Projects

Nyang ISR Uranium Project, W.A (100% owned)

Energia has applied for an exploration licence, E08/2735, located midway between Paladin Energy Ltd's Carley Bore and Manyingee ISR uranium deposits in the Carnarvon Basin of Western Australia. There are also two adjacent tenements (E08/2160 and E08/2161) owned by Cauldron Energy Ltd (CXU) which are under plaint by Energia for substantial under-expenditure.

The Minister has rejected CXU's application for expenditure exemption on E08/2160 and E08/2161 and the matter is back before the Warden for his consideration, with Energia's application for forfeiture now listed for mention on 29 August 2016 following 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).

Paterson Project, Western Australia (100% owned)

Energia has built a large and strategically located tenement package totaling 1,616km^2 in the under-explored 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) as well as Encounter Resources Ltd/Hampton Hill joint venture which recently announced a 70m intersection grading 2.3% zinc in gossanous material adjacent to Energia tenements at their Millennium zinc prospect.

No field work was carried out at Paterson during the period; however, a large deep seated magnetic target (8km by 5km) prospective for IOCG copper/gold mineralization (see Figure 9) 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 is likely to be delayed as the traditional owner service provider was recently changed to YMAC who now have to approve the program

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.

McArthur Project, Northern Territory (100% owned)

No work was carried out during the Quarter pending the outcome of current discussions with traditional owners to facilitate the granting of the tenements.

The Pacifico Minerals / Sandfire Resources joint venture plan to commence drilling shortly on the adjacent tenements

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).

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 exploration drilling at both Predil and Salafossa as soon as the Exploration Licences are granted. In the case of Predil, this work will primarily target extensions to the deposit together with verification of remaining resources and, in the case of Salafossa, exploration will be focused on targeting potential repetitions and extensions.

Val Vedello and Novazza Uranium Projects, Italy (100% owned)

Awaiting grant and no work was carried out during the Quarter. Refer to December 2015 Quarterly Report for detail.

Corporate

Share Capital

At the end of June 2016, Energia had 609,020,979 fully paid ordinary shares and 39.75 million unlisted options on issue.

Cash and listed securities

As at 30 June 2016, the Company had cash and listed securities of approximately A$6.4 million comprising cash of A$2.5 million and A$3.9 million in listed securities on hand. Please refer to the attached Appendix 5B for further information.

Financing

With a positive Scoping Study now complete and DFS underway, preliminary discussions have now commenced with a number of strategic parties regarding financing for the potential development of the Colonna Zorzone Deposit.

Tenements

Current tenement holdings, tenements disposed of and acquired during the quarter are shown in the attached Tables 2, 3 and 4.

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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^2 in 20 granted tenements and 17 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 or email info@energiaminerals.com.

Competent Person Statement

Information in this release that relates to Exploration Targets and Exploration Results is based on information prepared by Mr David Andreazza and Mr Kim Robinson who are both Competent Persons Members of the Australian Institute of Geoscientists. Mr Andreazza and Mr Robinson are full-time employees of Energia Minerals Limited. Mr Andreazza and Mr Robinson have 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 Andreazza and Mr Robinson consent to the inclusion in this release of the matters based on his 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.

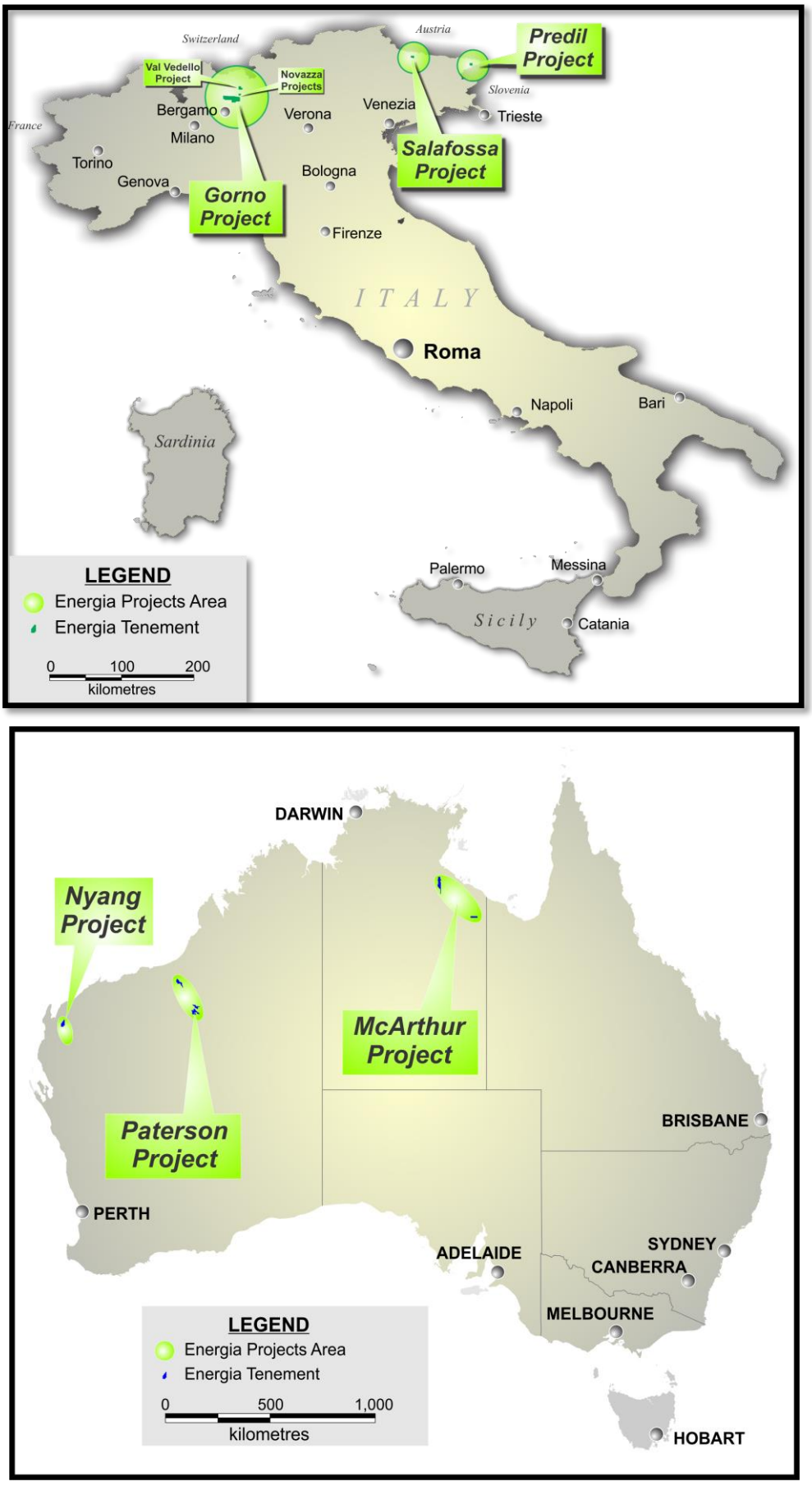

Figure 7: Energia Minerals Australian and Italian Project Locations

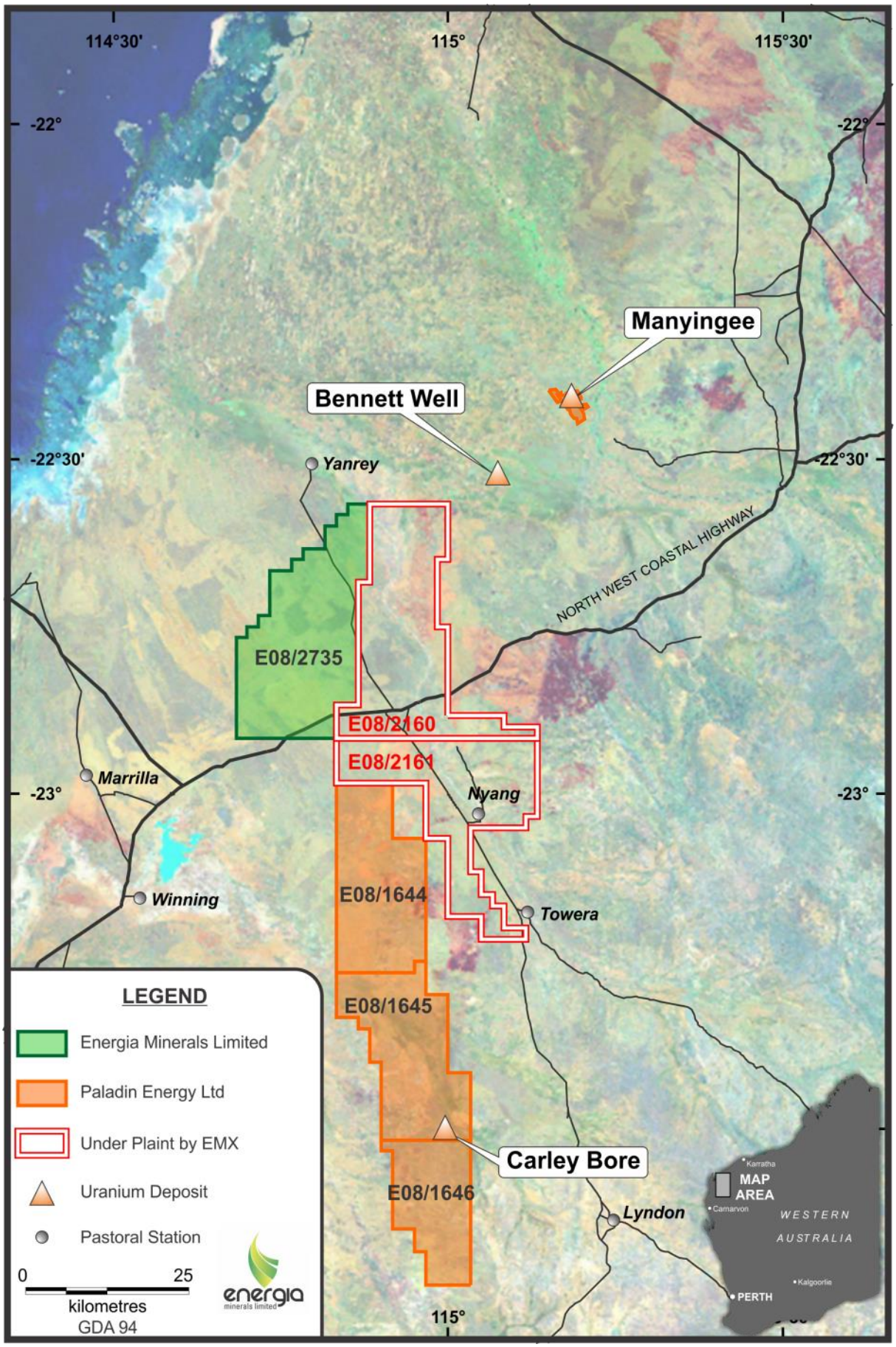

Figure 8: Carley Bore Tenement Locations Showing Disputed Tenements

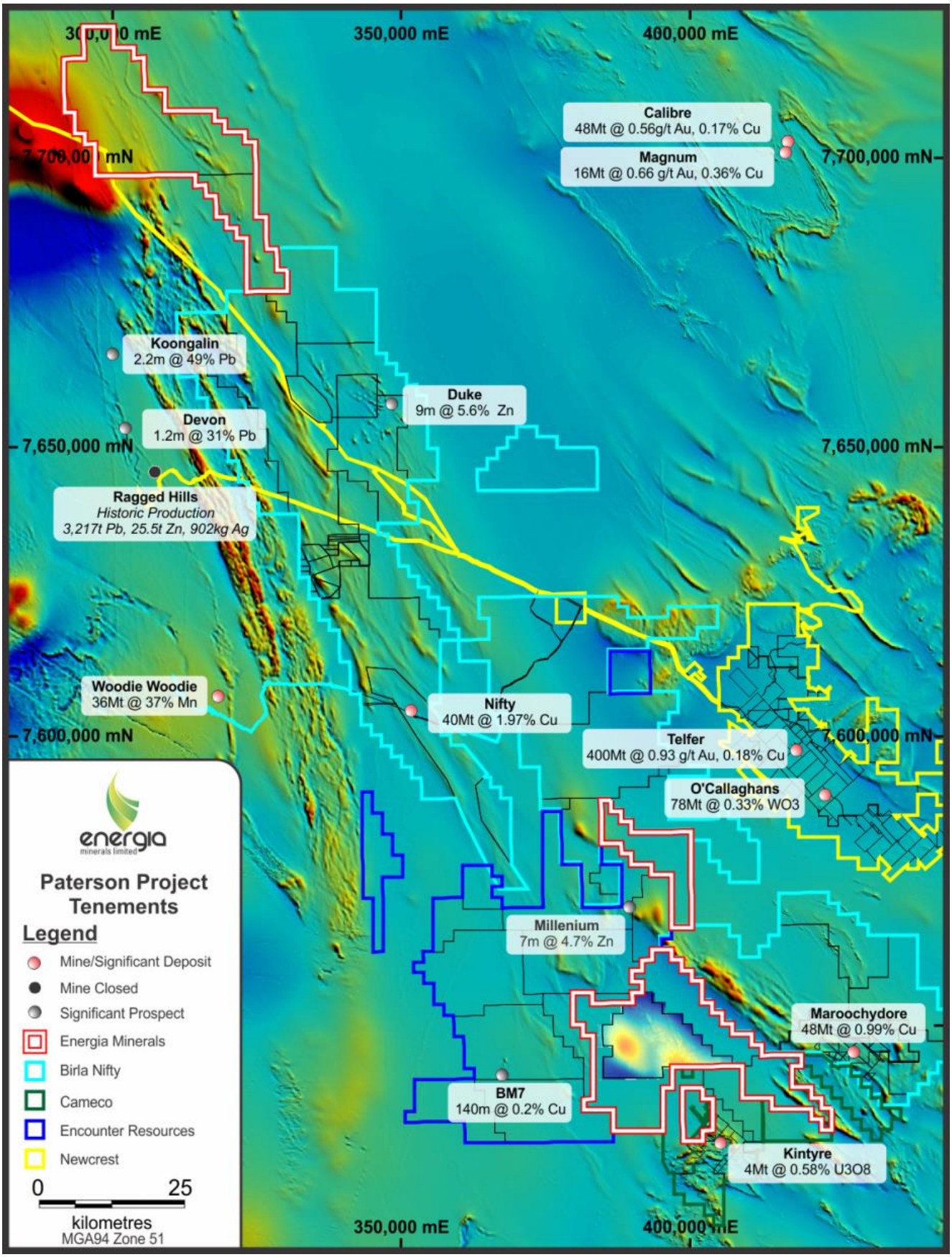

Figure 9: Energia's Tenement Holding in the Paterson Province

Table 2: Schedule of Mining Tenements Held

Project	Tenement	Entity's Interest	Comments
Western Australia			
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%	Application
Lake Talbot	E69/3445	100%	Application
Weld Spring	E69/3446	100%	Application
Northern Territory			
McArthur	EL 25269	100%	Application
McArthur	EL 25272	100%	Application
McArthur	EL31045	100%	Application
McArthur	EL31046	100%	Application
Italy			
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 – Zambla	Decree 1632	100%	Granted
Gorno – Vedra	Decree 1630	100%	Granted
Gorno – Zambla 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 – Zambla 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 3: Schedule of Mining Tenements Sold

Area of Interest	Tenement	Entity's Interest	Comments
Nil			

Table 4: Schedule of Mining Tenements Acquired

Area of Interest	Tenement	Entity's Interest	Comments
Lake Talbot	E69/3445	100%	Application
Weld Spring	E69/3446	100%	Application

Table 5: Drilling Results from the Gorno Project in the June 2016 Quarter

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)
GDD058	560095	5084792	943	21	58	257.2	223.2	4.5	1.6	57	1.6
GDD061	559940	5084742	944	45	9	138.3	45.2	0.2	3.1	22	0.7
							53.9	4.6	0.6	5	1.2
							55.9	1.4	1.6	11	3.2
GDD062	559798	5085047	944	60	205	42.6	33	9.2	2.7	49	0.7
GDD063	560093	5084792	944	55	314	106.3	No Significant Intercept				
GDD064	559743	5085062	944	60	205	48.8	No Significant Intercept				
GDD065	560092	5084790	944.05	59	268	127.9	82.7	1.4	1.2	9	0.7
							118.5	3.2	0.6	15	1.3
GDD066	559939	5084741	944	52	295	65.0	25.5	**3.8**	**1.4**	**15**	**10.7**
Including							30.8	7.6	2.3	21	3.7
GDD067	560093	5084790	944	90	0	101.3	95.2	2.5	0.4	17	0.7
GDD068	559478	5084844	945	25	10	123.8	60.2	3.1	0.0	1	0.8
							101.8	**6.5**	**2.0**	**25**	**11.4**
Including							101.8	15.5	3.6	46	4.4
GDD069	560666	5084811	944	65	200	25.9	2.4	**15.7**	**3.0**	**26**	**5.1**
Including							3.5	28.7	7.2	54	0.7
And							5.7	29.3	4.6	43	1.8
GDD070	560669	5084810	943	65	200	124.15	77.6	2.1	0.3	3	0.7
							111.9	5.8	4.4	43	1.6
							116.5	1.9	0.4	6	0.9
GDD071	559504	5084821	943	58	16	93.3	69.9	**25.6**	**4.7**	**71**	**4.6**
GDD072	560669	5084810	943	0	200	58.5	4.3	18.4	4.2	39	0.9
GDD073	559504	5084821	943	38	350	109.1	97.2	3.2	0.0	0.0	2.0
GDD074	560625	5084805	943	65	200	23.2	No Significant Intercept				
GDD075	559504	5084821	943	29	19	182.0	No Significant Intercept				
GDD076	560742	5084825	941	-60	360	125.9	No Significant Intercept				
GDD077	559504	5084821	943	41	30	135.0	No Significant Intercept				
GDD078	559418	5084866	943	-50	320	57.4	Hole Abandoned				
GDD079	559743	5085062	943	33	331	84.5	64.9	3.4	1.3	61	0.7
GDD080	559743	5085062	943	40	23	81.5	No Significant Intercept				
GDD081	559743	5085062	943	33	72	95.0	49.4	**6.5**	**2.5**	**30**	**7.8**
							60.2	**4.6**	**1.1**	**35**	**15.8**
including							60.2	7.9	1.8	59	7.8
Including							62.2	16.4	3.3	105	3.1
And							74.0	4.4	1.3	31	2.0
GDD082	559743	5085062	943	22	149	106.7	78.8	1.3	0.8	6	0.8
And							80.5	**17.6**	**3.4**	**40**	**14.9**
Including							82.2	21.4	4.1	48	12.0
GDD083	559743	5085062	943	17	153	145.3	129.8	**26.5**	**2.5**	**95**	**7.1**
Including							129.8	34.3	3.0	117	5.4
GDD084	559743	5085062	943	24	185	142.9	Assays Pending				
GDD085	559743	5085062	943	33	185	77.6	Assays Pending				
GDD086	559743	5085062	943	22	219	152.3	Hole Abandoned				
GDD087	559606	5085096	944	28	232	92.0	Hole Abandoned				
GDD088	559606	5085096	944	19	211	124.5	Hole Abandoned				

Notes:
Please refer to ASX announcements released on 14/03/2016, 13/5/2016 and 4/7/2016 for further details on the results in the above table.

Rule 5.5

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, 01/05/2013

Name of entity

ENERGIA MINERALS LTD

ABN	Quarter ended ("current quarter")
ABN 63 078 510 988	30 June 2016

Consolidated statement of cash flows

			Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation (net)	(1,493)	(6,078)
		(b) development	-	-
		(c) production	-	-
		(d) administration (net)	(516)	(1,852)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		13	52
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes benefit received		-	-
1.7	Other	(a) Research and Development Incentive	89	263
		(b) Italian VAT Paid	(173)	(858)
		(c) Other	-	22
	Net Operating Cash Flows		**(2,080)**	**(8,451)**
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a) prospects	-	-
		(b) equity investments	-	(24)
		(c) other fixed assets	(68)	(167)
1.9	Proceeds from sale of:	(a) prospects	-	1,600
		(b) equity investments	-	5,406
		(c) other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		-	-
1.12	Other (provide details if material)			
	– Increase in security bonds		-	(2)
	Net investing cash flows		**(68)**	**6,813**
1.13	Total operating and investing cash flows (carried forward)		(2,148)	(1,638)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(2,148)	(1,638)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. (net of costs)	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings – non-refundable loans	-	-
1.17	Repayment of borrowings	(28)	(112)
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	**(28)**	**(112)**
	Net increase (decrease) in cash held	**(2,176)**	**(1,750)**
1.20	Cash at beginning of quarter/year to date	4,641	4,110
1.21	Exchange rate adjustments to item 1.20	30	135
1.22	**Cash at end of quarter**	**2,495**	**2,495**

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	182
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 Being the salary and superannuation of the Executive Chairman, Managing Director and Finance Director prior to overhead recovery plus Non-Executive Director fees and superannuation.

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

None

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

None

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	-	-
3.2	Credit standby arrangements/bonds	**110**	**65**

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	2,500
4.2	Development	-
4.3	Production	-
4.4	Administration (net)	500
	Total	**3,000**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	1,217	2,624
5.2	Deposits at call	1,278	2,017
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**2,495**	**4,641**

Note:

At 30 June 2016, the Company holds listed securities with a market value of approximately $3.9 million. Total cash on hand and marketable securities is $6.4 million.

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest	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	E69/3445 Lake Talbot (application)	100%	-	100%
		E69/3446 Weld Spring (application)	100%	-	100%

+ 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 (cents)	Amount paid up per security (cents)
7.1	**Preference +securities** *(description)*	Nil	Nil	-	-
7.2	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	**609,020,979**	**609,020,979**	Various	Fully Paid
7.4	Changes during quarter				
	(a) Increases				
	-Placement & Rights Issue	-	-	-	-
	-Satisfaction of unsecured debt	-	-	-	-
	-Shares in lieu of fees	-	-	-	-
	(b) Decreases through return of capital, buy-backs	-	-	-	-
7.5	**+Convertible debt securities** (*description)*	Nil	Nil	-	-
7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	**Options**			*Exercise Price*	*Expiry Date*
	Unlisted- vested	4,000,000	-	$0.10	30 Apr 2017
	Unlisted- vested	4,000,000	-	$0.20	30 Apr 2017
	Unlisted- vested	4,000,000	-	$0.30	30 Apr 2017
	Unlisted- vested	2,000,000	-	$0.05	30 Apr 2019
	Unlisted- vested	2,000,000	-	$0.10	30 Apr 2019
	Unlisted- vested	2,000,000	-	$0.15	30 Apr 2019
	Unlisted – vested	2,250,000	-	$0.05	14 Jan 2020
	Unlisted – vested	2,250,000	-	$0.10	14 Jan 2020
	Unlisted – vesting 14/1/2017	2,250,000	-	$0.15	14 Jan 2020
	Unlisted – vested	1,250,000	-	$0.12	30 Jun 2020
	Unlisted – vesting 1/7/2016	1,250,000	-	$0.18	30 Jun 2020
	Unlisted – vesting 1/7/2017	1,250,000	-	$0.24	30 Jun 2020
	Unlisted – vested	4,000,000	-	$0.12	18 Nov 2020
	Unlisted – vesting 1/12/2016	4,000,000	-	$0.18	18 Nov 2020
	Unlisted – vesting 1/12/2017	3,250,000	-	$0.24	18 Nov 2020
7.8	Issued during quarter			*Exercise Price*	*Expiry Date*
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter				
	Cancelled Unlisted – vesting 1/12/2017	750,000	-	$0.24	18 Nov 2020
7.11	**Debentures** *(totals only)*	Nil	Nil		
7.12	**Unsecured notes** *(totals only)*	Nil	Nil		

+ See chapter 19 for defined terms.

Compliance statement

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

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

Sign here:

Date: 28 July 2016

Print name: **Jamie Armes**
Company Secretary

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