

31 October 2016

QUARTERLY ACTIVITIES REPORT

for the quarter ended 30 September 2016

OPERATIONAL

Power Resources' operates the Linden (Good Hope) gold project in the Eastern Goldfields of Western Australia.

No field work was undertaken on the PL 39/5062 licence during the quarter. Increased activity in the gold sector is being monitored, particularly in the Linden area, for opportunities that may arise.

Linden (Good Hope) is located in the Eastern Goldfields of Western Australia. Government records show that 30 tonnes of ore yielded 1 oz (~31 grams) of gold per ton from a structure around 1 metre thick.

Historic sampling of quartz-pyrite altered rocks from local waste dumps recorded grades of up to 16 g/t Au. Linden (Good Hope) is located in the Linden mining district some 120 km southeast of the town of Leonora.



Location of the WA projects.

CORPORATE

On 16 May 2016, the Company announced that it had entered into a binding agreement to acquire 100% of the asset management and asset maintenance technology assets owned by K2fly NL (K2fly). K2fly's technology allows a company's asset management personnel to navigate its centralised management system to identify, manage and maintain all asset data in order to streamline operational and maintenance efficiencies.



K2fly's technology has a strong track record of empowering some of Australia's largest organisations to make better long-term decisions through the use of proprietary algorithms and degradation profiles, which are vital for accurately forecasting maintenance needs.

The scalable and modular nature of K2fly's technology means that target markets include SMEs, multi-nationals and corporate conglomerates. This technology offers cloud based asset management and asset maintenance software solutions and the option of physical data infrastructure management.

K2fly is growing global market penetration through partnering agreements aimed at rapidly increasing client adoption and K2fly business revenue.

On 17 June 2016, the Company announced that it had entered into an amended and restated sale of asset agreement to deal with changes to the consolidation of its share capital as well as changes to the deemed issue price of shares pursuant to the transaction.

Full details of the terms of acquisition were set out in a Notice of Meeting sent to shareholders on 18 July 2016. The Company obtained shareholder approval to proceed with the acquisition at a General Meeting held on 22 August 2016.

Accordingly, a prospectus has been issued seeking to raise a minimum of \$4,000,000 by a public offering of 20,000,000 shares at an issue price of 20 cents per share, with oversubscriptions acceptable up to a further \$1,000,000.

Norman Grafton
Company Secretary
Power Resources Limited



POWER
RESOURCES LIMITED

ABN: 69 125 345 502

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Luke Marshall who is a consultant to Power Resources Limited and who is a member of The Australian Institute of Geoscientists. Mr Marshall has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Mr Marshall consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Power Resources Ltd's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Power Resources Ltd believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix - Schedule of Mining and Exploration Tenements

<i>Project</i>	<i>Country</i>	<i>State/Region</i>	<i>Tenement ID</i>	<i>Area (km²)</i>	<i>Grant date</i>	<i>Interest</i>
Linden (Good Hope) gold	Australia	WA	P 39/5062	0.29	5/08/2010	90%