

31 October 2016

REPORT FOR THE QUARTER ENDED 30th SEPTEMBER 2016

Highlights

Mount Coolon Gold Project:

Eugenia Gold Deposit:

- Publication of Eugenia Heap Leach Scoping Study showing potential economic viability.
- Recovered gold ounces total 32,588 at a C1 cost of \$813 per ounce, capital estimated at \$8.3 million.
- Free cashflow generated will be allocated to accelerate expanding the known open pit resources and the mineralising systems with the aim to build the Mt Coolon Gold Project inventory to a level that will support the commissioning of a CIL plant.

Koala Gold deposit:

- Koala Gold resource increased by 135% to 1.4Mt averaging 2.6 g/t Au containing an estimated 118,700 ounces.
- The Koala Gold Deposit now has an identified gold endowment (past production and current resources) containing an estimated 378,000 ounces with significant exploration upside.
- Historical gold production has produced 243,000 ounces at an average grade of 12.7 g/t Au. Production was extracted from workings extending over a strike length of 900 metres and from a depth of only 130 metres from surface.
- Stage 1 drilling is on schedule with 19 holes now completed for a total of 1,023 metres of diamond drilling.
- Results of drilling to date have confirmed the presence of remnant high-grade quartz vein and breccia style mineralisation in a number of locations around the old (circa 1930) underground workings.

Corporate:

- Loan agreement executed with National Federal Capital, totalling AUD\$10 million.
- A total of 203,391,744 options exercisable at 5 cents were issued at a price of 0.3 cents each, raising a total of \$610,175 pursuant to a non-renounceable pro-rata entitlement offer.
- Funds will be used to accelerate the redevelopment of Mt Coolon Gold Project in Queensland.

ASX Code: GBZ

COMPANY DIRECTORS

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Managing Director/ Executive Chairman

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Hun Seng Tan
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SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the quarter. The Company has now completed 61 consecutive months with no LTI's and 107 consecutive months with no significant environmental incidents. GBM is committed to continuously improving safety and environment systems with the clear aim of achieving zero harm.

100% GBM Gold Projects

Mount Coolon Gold Project, Queensland

Work on the Mount Coolon Project progressed throughout the quarter. The scoping study evaluating the potential to establish a heap leach gold mine at Eugenia provided positive results. In addition encouraging upgrades for the Koala underground and open pit resources in June supported the commencement of infill resource drilling around the historical stopes. A review of historic drill core around and beneath the Ross open pit indicated further drilling below the pit for mine plan geotechnical and metallurgical purposes will be required.

Database upgrades for Glen Eva were completed and a resource review commissioned. This review is scheduled for completion early in the December quarter. At Eugenia, the dry season ecological survey was completed along as the company continues to collect necessary data to advances this project.

Eugenia Gold Deposit

GBM completed the Eugenia heap leach Scoping Study in August this year (refer ASX announcement 23 August 2016). The study confirmed the potential economic viability of heap leaching the oxide portion of the Eugenia Gold Deposit.

The Study demonstrated that the short-term operation could generate a strong cash flow estimated in excess of A\$22 million using a gold price of A\$1,650 per ounce.

Ore Tonnes	1,771,000	t
Ore Grade	0.71	g/t
Waste Tonnes	1,634,000	t
Total Tonnes	3,409,000	t
Strip Ratio	0.92	w/o
Recovered Ounces	32,588	ozs
Op. Cost / oz (C1)	813	\$/oz
Operating life	16	Months
Revenue (based on \$AU1,650/oz)	52,426,000	\$
Net Operating Cash flow before tax	22,321,000	\$
Capital	8,312,000	\$

Table: Eugenia Heap Leach Scoping Study Cash Flow Model Summary (based on a gold price of A\$1,650 per ounce)
Note: C1 = mining and processing expenditure+ site general and administration + transport and refining costs

The mine is planned to be a small open cut operation to operate over a 16-month period. Mining is planned using truck and excavator mining technique involving conventional drill and blast, load and haul using contract mining equipment. The mineralised material will be crushed and paddock dumped onto prepared heap leach areas, before capping and preparing for the leach process.

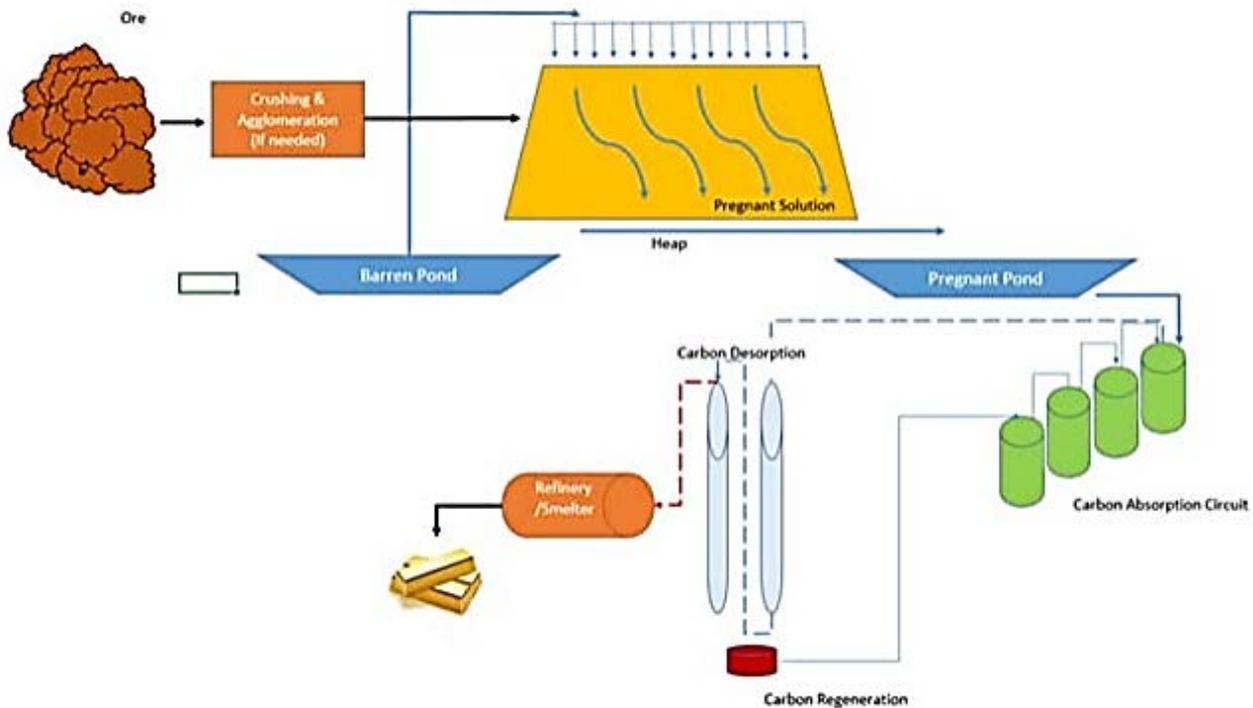


Figure 4: Heap Leach Process Schematic

Mt Coolon Production Options Under Review

The outcome of the Eugenia Heap leach Scoping Study demonstrates that a short term operation could generate a strong positive cash flow by 4Q 2017. The Company in parallel is also evaluating toll milling opportunities for the Koala and Glen Eva open cuts which have the potential to see the Company achieve gold production in the near term. The Company expects to be in a position by the end of this calendar year to confirm the intention to proceed with the development of either toll milling the open cuts, progress with the Eugenia Heap Leach or both.

Koala Gold Project

Drilling Program

The drilling has confirmed the presence of remnant high-grade quartz vein and breccia style mineralisation in a number of locations within a broader halo of intense silica pyrite mineralisation.

Results have now been received for 8 of the 19 holes with the remaining assay results expected to be received progressively from now until the end of November 2016. To date a total of 19 holes and 1,023 metres of drilling has been completed.

Significant intersections received to date include

- KLRD0002: **3.5m @ 14.7 g/t** from 44m, including **0.9m @ 55.7 g/t Au** from 46m.
- KLRD0005: **22m @ 2.0 g/t Au** from 28m, including **4.7m @ 6.5 g/t Au** from 41.3m (with poor core recovery through stope fill).
- KLRD0007: **3.0m @ 7.1 g/t Au** from 25 m to the west side of the stope edge including **1m @ 19.3 g/t Au** from 26 m, and **3.8m @ 3.1 g/t Au** from 30.2m from the east side of the stope edge including **0.8m @ 11.4 g/t Au** from 30.2m.

Full results are listed in the following table below. (Also refer to ASX announcement 21 October 2016).

Drilling Program Schedule

Drilling commenced at Koala on 5 September 2016. The program is designed to infill historical drilling data through the Koala Lode within the area of old underground workings located along strike of the Ross Mining open pit. The stopes measure 2 to 16m wide at surface, and extend for approximately 500m along strike underground on four levels to a maximum depth of approximately 140m. From discovery in 1913, the lode was worked continuously to 1941 producing more than 180,000 ounces of gold at 18.4 g/t Au average grade.

Drilling will test for low-grade mineralisation at stope margins and high-grade lode quartz in remnant pillars and along strike from stopes. Maximum drill hole target depths have been kept to practical below-surface depths for open pit mining as indicated by preliminary pit optimisations.

The program is split into two phases. Phase 1 as planned comprised of 19 holes on 50m sections for approximately 1,100 m total drill metres. Each hole is designed to return a full intersection through pillars or through both stope walls. Where drilling has fails to traverse stope voids a second hole will be completed from the opposing side to complete the intersection. To date around 70% of holes has successfully passed through the mineralised zone and stopes where present.

As of the end of the quarter, a total of 13 drill holes for 716.2m had been completed on six sections. Of these, six succeeded in bridging the stope void to the opposing side and two reached planned depth without intersecting any historical workings.

Drilling Results Table

A geology and assay summary of a selection of holes is presented below including a collar and intersection table. Intersections quoted relate to downhole or apparent width (unless noted 'TW' – True Width).

Hole_ID	Hole Location			Hole Orientation			Mineralisation Intersection					
	Local_E	Local_N	Local RL_m	Dip°	Azimuth°	EOH Depth_m	m_From	m_To	DH Length_m	True Width_m	Grade g/t Au	G*M True Width
KLRD0001	10016	9975	999	270	-50	29.3	28	29.3	1.3	0.4	1.6	0.6
KLRD0002	10016	9925	1003	270	-50	47.5	44	47.5	3.5	1.2	14.7	17.3
							46	46.9	0.9	0.3	55.7	16.7
KLRD0003	9988	10225	987	90	-50	35.6	18	19	1	0.6	1.4	0.8
							26	28.3	2.3	1.3	1.5	2.0
KLRD0004	9967	10225	987	90	-50	59.6	NSI					0.0
KLRD0005	9961	10125	995	90	-50	68.6	18	19	1	0.5	4.2	2.1
							28	50	22	11.3	2.0	22.5
							41.3	46	4.7	2.4	6.5	15.7
KLRD0006	9957	10125	996	90	-60	53.5	NSI					
KLRD0007	9975	10025	998	90	-50	43.1	25	28	3	2.1	7.1	15.0
							26	27	1	0.7	19.3	13.7
							30.2	34	3.8	2.7	3.1	8.4
							30.2	31	0.8	0.6	11.4	6.5
KLRD0008	9962	10025	1000	90	-60	58.2	Results Pending					
KLRD0009	9961	9925	1007	90	-65	54.3	49	50.4	1.4	1.0	0.8	0.8
KLRD0010	9948	9875	1016	90	-60	65.7	Results Pending					
KLRD0011	9968	9975	1004	90	-60	39.5	Results Pending					
KLRD0012	9951	9975	1004	90	-65	86.8	Results Pending					
KLRD0013	9967	9875	1013	90	-55	43.5	Results Pending					

Table: Assay results and collar summary table for all drillholes completed to the end of the quarter from the Stopes drilling program at Koala. Intersections are based on a 0.3g/t Cut-off and a maximum of 2 metres of included sub-grade material.

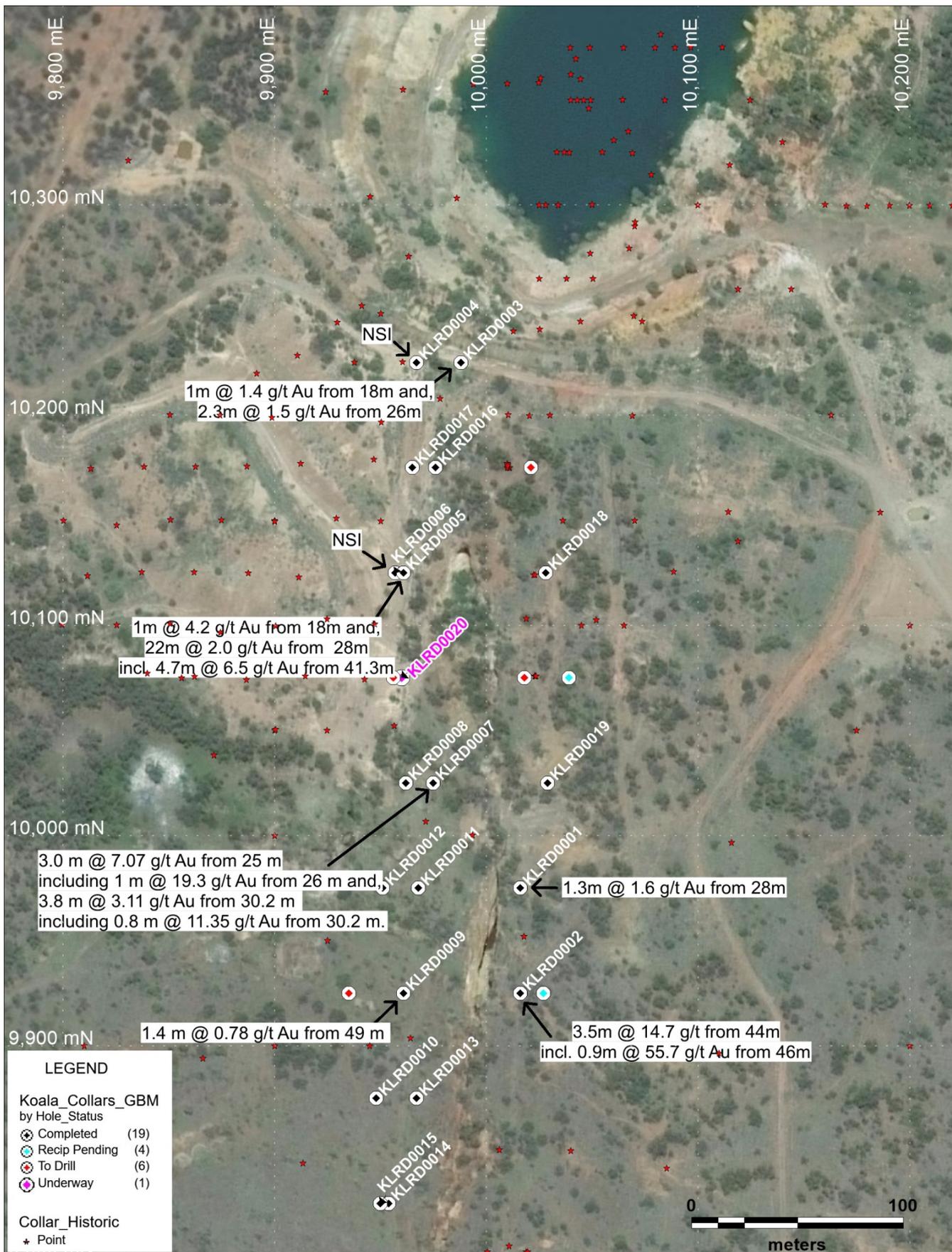


Figure: Koala Phase 1 drillhole plan showing downhole intersection. Current drillhole in pink.

Koala Resource Upgrade

The company announced the remodelled resource estimate at Koala Gold Mine has resulted in a significant 135% increase to 1.4Mt averaging 2.6 g/t Au containing an estimated 118,700 ounces of gold. (refer ASX announcement 8 July 2016).

GBM revised the Koala resource estimate last quarter after a review of the deposit geology confirmed that lower grade stockwork mineralisation extends for several metres on either side of the central high grade lode zone both below the Ross Mining open pit, and around the old underground workings. This work produced a 135% increase in resources to 1.4Mt averaging 2.6 g/t Au containing an estimated 118,700 ounces of gold.

Resource Category		Ore Type	Cutoff Grade (g/t Au)	Tonnes (t)	Grade Au (g/t)	Contained Gold (ozs.)
Indicated	open pit	Fresh	0.4	250,000	2.9	22,800
		Oxide	0.4	30,000	1.1	1,100
		Transition	0.4	90,000	3.3	9,600
	underground	Fresh	2.0	50,000	3.0	5,100
	sub total Indicated				420,000	2.8
Inferred	open pit	Fresh	0.4	600,000	2.3	44,900
		Oxide	0.4	40,000	0.8	1,200
		Transition	0.4	110,000	1.6	5,600
	underground	Fresh	2.0	230,000	3.9	28,500
	sub total Inferred				980,000	2.6
total	open pit	Fresh	0.4	850,000	2.5	67,700
		Oxide	0.4	70,000	0.9	2,200
		Transition	0.4	190,000	2.4	15,100
	underground	Fresh	2.0	280,000	3.7	33,700
	TOTAL				1,400,000	2.6

Table: Koala in situ resource summary reported by resource category and oxidation state. Please note rounding; tonnes (1,000t), grade (0.1g/t) and contained gold (100 ounces).

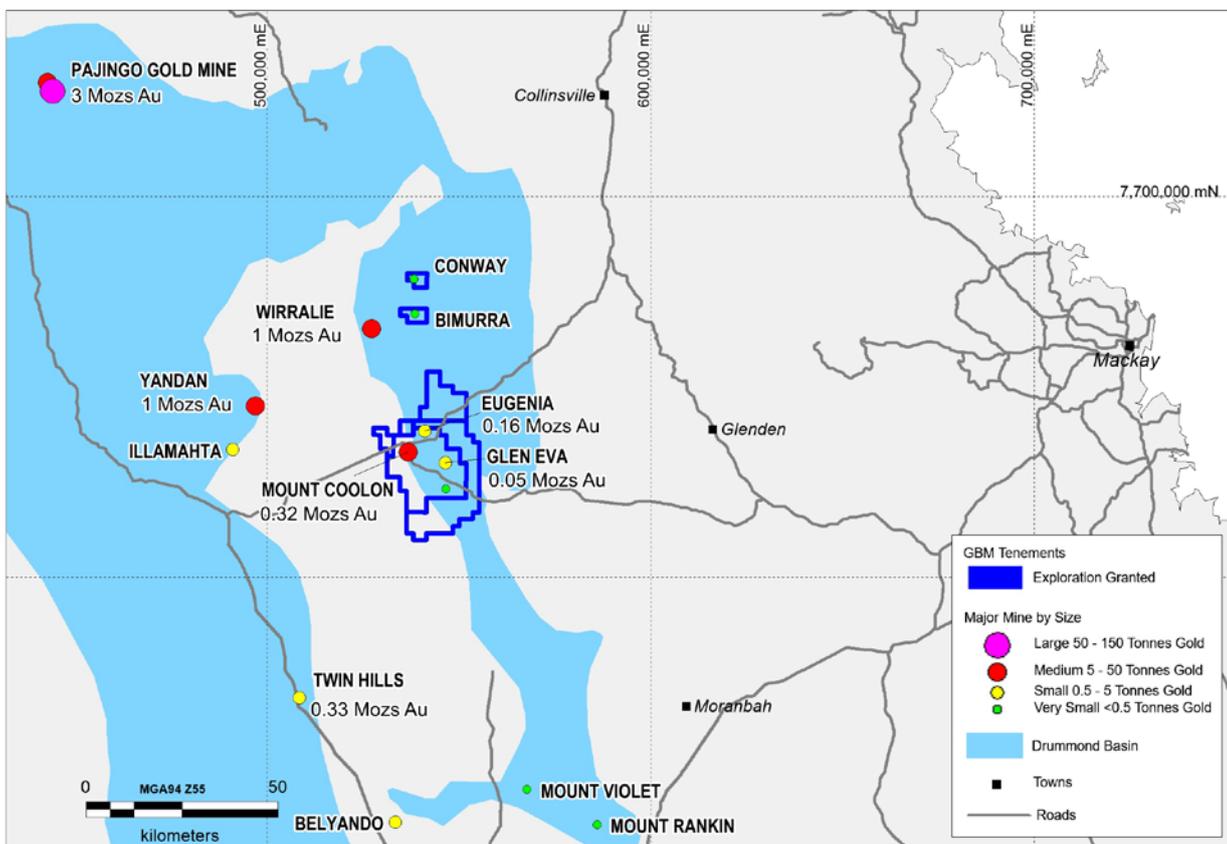


Figure: Mt Coolon project tenement group location plan.

Background to Mount Coolon Project.

In January 2015 GBM announced the signing of a binding Share Sale Agreement with Drummond Gold Limited (ASX: DGO) pursuant to which GBM acquired a 100% interest in all of the issued capital of Mt Coolon Gold Mines Pty Ltd. This transaction was completed during April (refer ASX release dated 13 April 2015). The project is located 250km west of Mackay in Queensland in the northern Drummond Basin. The Drummond Basin is an established gold mining region with past production of more than 4.5 Mozs and a total known gold endowment of over 7.5 Mozs of gold. Deposit styles range from bonanza grade epithermal veins (eg. Pajingo 3.0 M ozs) to bulk tonnage intrusive related gold deposits (eg Mt Leyshon 2.1 M ozs).

The tenement package includes four granted Mining Leases, and four granted exploration permits covering a total area of 761 km². Independent review of these tenements has confirmed that all are in good standing and key mining licences have recently been renewed until 2024.

Mount Coolon Gold Project Resource

Project	Location	Resource Category									Total			Cut-off
		Measured			Indicated			Inferred			000' t	Au g/t	Au ozs	
		000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	
Koala	Open Pit				370	2.8	33,500	750	2.1	51,700	1,110	2.4	85,000	0.4
	Underground Extension				50	3	5,100	230	3.9	28,500	280	3.7	33,700	2.0
	Tailings	114	1.6	6,200	9	1.6	400				124	1.6	6,600	1
	Total	114	1.7	6,200	429	2.8	39,000	980	2.5	80,200	1,514	2.6	125,300	
Eugenia	Oxide				1,305	0.9	39,300	219	0.7	5,100	1,524	0.9	44,400	0.4
	Sulphide				2,127	0.9	62,300	1,195	1.2	45,500	3,322	1.0	107,800	0.4
	Total				3,432	0.9	101,600	1,414	1.1	50,600	4,846	1.0	152,200	0.4
Glen Eva	Below pit.				132	7.8	33,200	21	5.9	4,000	154	7.5	37,200	3.0
	Total	114	1.7	6,200	3,993	1.4	173,800	2,415	1.7	134,800	6,514	1.5	314,700	

Table: Mount Coolon Gold Project Global Resource Summary. Please note rounding (1,000's tonnes, 100's ounces, 0.1 g/t) may cause minor variations to totals. (Refer ASX announcement 23 August 2016).

Mount Isa Region Copper Gold Projects

Pan Pacific Copper/ Mitsui Farm-in Projects

Ongoing discussions have continued with Pan Pacific Copper throughout the quarter as they complete the transition from the partnership with Mitsui Corporation. As noted in the Company's March and June Quarterly reports, the final year of the six year Farm-in Agreement with multinational companies Pan Pacific Copper and Mitsui Corporation was completed during the March Quarter. Partners Pan Pacific Copper have indicated that they wish to proceed to formal a joint venture to further progress the exploration and development of the tenement areas, Mitsui will not continue and will withdraw from the project. PPC have indicated they wish GBM to continue as project managers and a letter confirming agreement to extend the Stage 1 Farm In until arrangements are made for the joint venture was signed by PPC and GBM during April and extended in September to 30th of January 2017. PPC have agreed to reimburse GBM's project management costs on a cash call basis until a work programme and budget are formally approved.

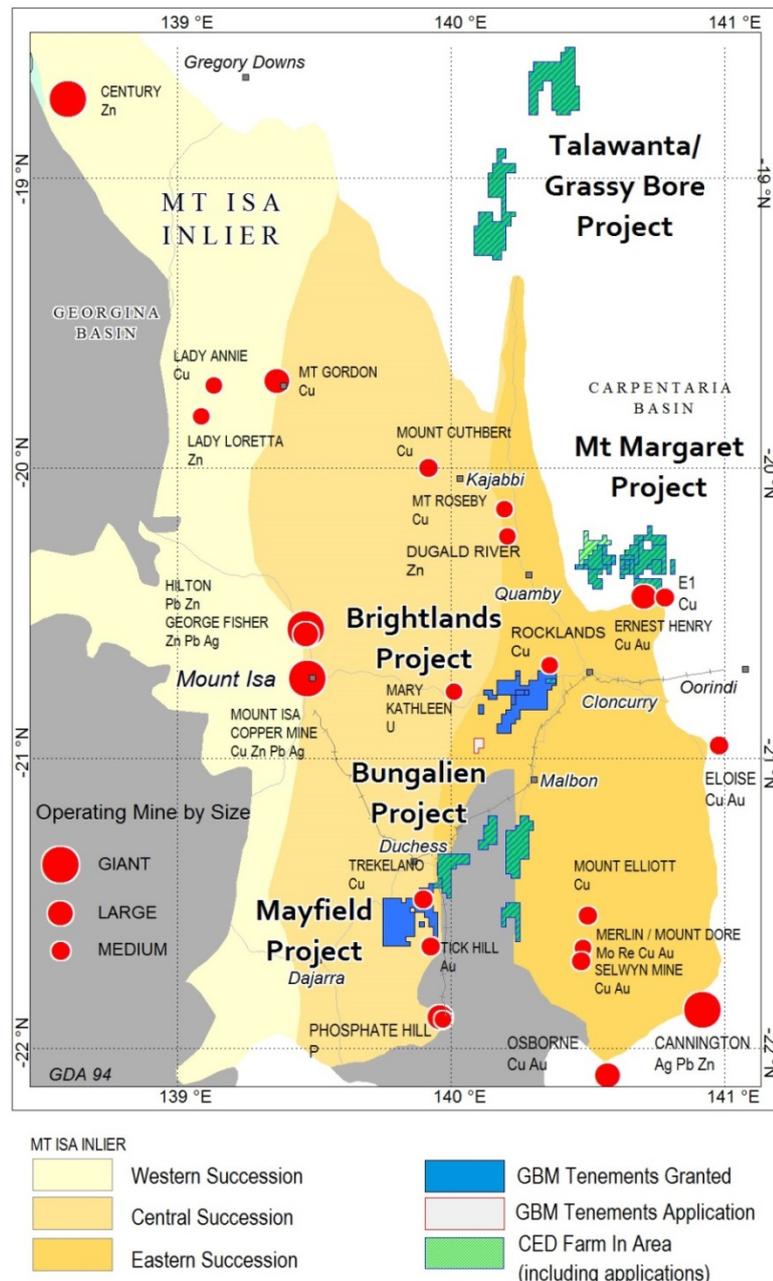


Figure: Location map showing Farm-in Areas.

TENEMENT SUMMARY

Throughout the June quarter reports and payments have been lodged as required. Technical reports continue to be lodged and are up to date and in line with the Department requirements. Events during the quarter:

- Brightlands West Ext EPM18672 was granted for a period of five years from 16 June 2016.
- Renewals submitted for, Glen Eva ML 10227, Malmsbury EL 4515, Brightlands EPM 14416, Dee Range EPM 16057, Willaura EL 5346 and Monkey Gully EL 5293 outcome pending.
- Limestone Creek EPM 17849, Highway EPM 18453 and Wakeful EPM19454 in Queensland and EL5292 Tin Creek and EL 5347 Rubicon in Victoria have been relinquished.
- A Plan of Operations for Mount Coolon (ML's 1029, 1085, 1086 and 10227) has been submitted and accepted. Discussions with the Company's environmental consultants and the Queensland Department of Environment and Heritage Protection relating to the Financial Assurance requirement are ongoing, with a determination date currently set for 8 December 2016.

Project / Name	Tenement No.	Owner	Manager	Interest	Status	Granted	Expiry	Application Date	Approx Area (km ²)	sub-blocks
Victoria										
Malmsbury										
Belltopper	EL4515	GBMR* ³ /Belltopper Hill	GBMR	100%	pending	06-Oct-05	05-Oct-15		25	25
Willaura										
Willaura	EL5346	GBMR	GBMR	100%	Granted	02-Jun-11	01-Jun-18		5	5
Lake Bolac2	EL5423	GBMR	GBMR	100%	Granted	03-Dec-12	02-Dec-17		218	218
Yea										
Monkey Gully	EL5293	GBMR	GBMR	100%	Granted	23-Mar-11	22-Mar-18		86	86
Queensland										
Mount Morgan										
Dee Range	EPM16057	GBMR	GBMR	100%	pending	27-Sep-07	26-Sep-16		46	14
Boulder Creek	EPM17105	GBMR	GBMR	100%	Granted	26-Mar-08	25-Mar-17		88	27
Black Range	EPM17734	GBMR	GBMR	100%	Granted	20-May-09	19-May-18		81	25
Smelter Return	EPM18366	GBMR	GBMR	100%	Granted	21-Jun-12	20-Jun-17		98	30
Limonite Hill	EPM18811	GBMR	GBMR	100%	Granted	21-Nov-12	20-Nov-17		250	77
Limonite Hill East	EPM19288	GBMR	GBMR	100%	Granted	31-Oct-13	30-Oct-18		29	9
Mt Hoopbound	EPM18812	GBMR	GBMR	100%	Granted	26-Jul-12	25-Jul-17		23	7
Moonmera	EPM19849	GBMR* ³	GBMR	100%	Granted	12-Apr-13	11-Apr-18		16	5
Mt Victoria	EPM25177	GBMR	GBMR	100%	Granted	26-Aug-14	25-Aug-17		3	1
Bajool	EPM25362	GBMR	GBMR	100%	Granted	27-Nov-14	26-Nov-17		111	34
Mountain Maid	EPM25678	GBMR	GBMR	100%	Granted	09-Apr-15	08-Apr-18		26	8
Mount Isa Region										
Mount Margaret										
Mt Malakoff Ext	EPM16398	GBMR* ² /Isa Tenements	GBMR	100%	Granted	19-Oct-10	18-Oct-20		85	26
Cotswold	EPM16622	GBMR* ² /Isa Tenements	GBMR	100%	Granted	30-Nov-12	29-Nov-17		16	5
Mt Marge	EPM19834	GBMR/Isa Tenements	GBMR	100%	Granted	04-Mar-13	03-Mar-18		3	1
Dry Creek	EPM18172	GBMR* ² /Isa Tenements	GBMR	100%	Granted	13-Jul-12	12-Jul-17		189	58
Dry Creek Ext	EPM18174	GBMR* ² /Isa Tenements	GBMR	100%	Granted	25-Oct-11	24-Oct-16		23	7
Corella	EPM25545	GBMR/Isa Tenements	GBMR	100%	Granted	20-Mar-15	19-Mar-17		59	18
Tommy Creek	EPM25544	GBMR/Isa Tenements	GBMR	100%	Granted	11-Nov-14	10-Nov-18		33	10
Brightlands										
Brightlands	EPM14416	GBMR* ² /Isa Brightlands	GBMR	100%	pending	5-Aug-05	4-Aug-16		127	39
Brightlands West	EPM18051	GBMR/Isa Brightlands	GBMR	100%	Granted	22-Oct-13	21-Oct-18		7	2
Brightlands West Ext.	EPM18672	GBMR/Isa Brightlands	GBMR	100%	Granted	16-Jun-16	15-Jun-21		16	5
Wakeful	EPM18454	GBMR/Isa Brightlands	GBMR	100%	Granted	23-Jan-12	22-Jan-17		6	2
Highway	EPM18453	GBMR/Isa Brightlands	GBMR	100%	Granted	23-Jan-12	22-Jan-17		10	3
Bungalien										
Bungalien 2	EPM18207	GBMR* ² /Isa Tenements	GBMR	100%	Granted	24-May-12	23-May-17		120	37
The Brothers	EPM25213	GBMR/Isa Tenements	GBMR	100%	Granted	16-Oct-14	15-Oct-19		10	3
Mayfield										
Mayfield	EPM19483	GBMR* ² /Isa Tenements	GBMR	100%	Granted	11-Mar-14	10-Mar-19		302	93
Mt Coolon										
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	Granted	13-Jun-08	12-Jun-18		325	100
Mt Coolon East	EPM25850	GBMR/MCGM	GBMR	100%	Granted	07-Sep-15	06-Sep-20		260	80
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	Granted	18-Sep-14	17-Sep-19		146	45
Conway	EPM7259	GBMR/MCGM	GBMR	100%	Granted	18-May-90	17-May-19		39	12
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	Granted	30-May-74	31-Jan-24		0.7	
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	31-Jan-24		0.0	
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	31-Jan-24		1.0	
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	pending	05-Dec-96	31-Dec-16		1.3	
									2881.04	

Figure: GBM Tenement summary table as at 6th October 2016.

CORPORATE

1. The Company spent a total of A\$1,069K in the quarter, of which A\$654k was for exploration and A\$ 425k for administration and corporate costs. Cash at 30 September 2016 was A\$1.637 million.
2. Subsequent to the end of the quarter, GBM announced it has entered into a AUD\$10 million Loan Agreement with National Federal Capital Ltd (NFC) to advance the redevelopment of the Company's wholly owned Mt Coolon Gold Project in Queensland. NFC is a UK based independent and privately owned Financial Services group whose principal activities are in retail unit trusts and management of funds on behalf of various financial institutions (refer ASX announcement 18th October 2016)
3. Also subsequent to the end of the quarter, the Company announced that applications for total of 137,297,660 options exercisable at \$0.05 each were received pursuant to the Non-Renounceable Pro-Rata Entitlement Issue Offer that closed on 6 October 2016. The Company has since allotted and issued the 66,094,084 Shortfall options (refer ASX announcement 25 October 2016). Total funds raised pursuant to the Offer were \$610k before costs.

For Further information please contact:

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Explanatory notes:

The information in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Mr Norris is a full-time employee of the company, and is a holder of shares and options in the company. Mr Norris 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 defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the respective announcements and all material assumptions and technical parameters underpinning the resource estimates with those announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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

Name of entity

GBM Resources Limited

ABN

91 124 752 745

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(654)	(654)
(b) development	-	-
(c) production	-	-
(d) staff costs	(256)	(256)
(e) administration and corporate costs	(169)	(169)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	7	7
1.9 Net cash from / (used in) operating activities	(1,069)	(1,069)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

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

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares and options	2,621	2,621
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(270)	(270)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,351	2,351

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	355	355
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,069)	(1,069)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,351	2,351
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,637	1,637

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,534	252
5.2 Call deposits	103	103
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,637	355

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	309
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Remuneration and fees paid to directors and associates (including amounts accrued for payment as at 30 June 2016).

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

N/a

Mining exploration entity and oil and gas exploration entity quarterly report

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

Subsequent to the end of the quarter the Company entered into a \$10 million loan agreement to fund the initial development of the Mt Coolon gold project (refer ASX announcement 18 October 2016 for details of the loan agreement and proposed drawdown dates). The loan agreement is subject to completion of due diligence prior to the proposed first drawdown date.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	500
9.2 Development	-
9.3 Production	-
9.4 Staff costs	90
9.5 Administration and corporate costs	150
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	740

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EPM 17849 ,18452, &19454 QLD EL 5292 & 5347 Victoria	100%	100%	nil
10.2 Interests in mining tenements and petroleum tenements acquired or increased	EPM 18672 granted	100%	100%	100%

Compliance statement

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

Sign here:



Company secretary

Date: 31 October 2016

Print name: Kevin Hart

Notes

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