

31 October 2018

REPORT FOR THE QUARTER ENDED 30th SEPTEMBER 2018

HIGHLIGHTS:

Mount Coolon Gold Project:

Twin Hills Agreement

- GBM Executes Agreement with Minjar Gold Pty Ltd to Acquire the Twin hills Gold Project in the Drummond Basin QLD.
- Acquisition cost is A\$1.5 million on a partially deferred settlement basis.
- Twin Hills acquisition further underwrites the economic potential of the Mt Coolon Gold Project, potentially doubling its resource base and adding significant exploration potential.

Mt Margaret Copper Project- CED Joint Venture

- Drill hole MMA015 at FC2 intersected strong sulphide mineralisation and IOCG-type alteration near the base of the hole.
- HOLE MMA015 returned a best intersection of 2 m @ 0.39 % Cu from 385 m downhole. Magnetite alteration increasing with depth.



Location of GBM Gold and Copper projects in Queensland.

ASX Code: GBZ

COMPANY DIRECTORS

Peter Thompson
Managing Director/ Executive Chairman

Neil Norris
Exploration Director – Executive

Hun Seng Tan
Non- Executive Director

CONTACT DETAILS

Principal & Registered Office
Suite 8, 7 The Esplanade,
Mt Pleasant, WA 6153

Exploration Office
10 Parker Street,
Castlemaine, Victoria 3450

Website
www.gbmr.com.au

Email
info@gbmr.com.au

Phone
+61 (8) 9316 9100

Fax
+61 (8) 9315 5475

Phone (Exploration Office)
+61 (3) 5470 5033



SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the September Quarter. The company has now completed 83 consecutive months with no LTI's and 129 consecutive months with no significant environmental incidents.

Gold Projects

Mount Coolon Gold Project, Queensland (100% GBM)

Introduction

The development of the Mount Coolon Gold Project (MCGP) remains the key focus of GBM and during the quarter the Company finalised a Sale and Purchase Agreement with Minjar Gold Pty Ltd which potentially doubles the Mt Coolon resource base and adding significant exploration potential.

Twin Hills Gold Project – Sale and Purchase Agreement (SPA)

Key terms of the Twin Hills SPA are:

1. Consideration

Cash consideration of A\$1.5 million is payable in the following tranches:

- A\$0.35 million on Completion;
- A\$0.35 million paid 3 months after Completion; and
- A\$0.80 million paid 6 months after Completion.

2. Conditions precedent

Completion is subject to and conditional upon:

- GBM obtaining indicative approval for the transfer of the tenements;
- the consents of all third parties being obtained pursuant to the primary agreements to which the Third Party Agreements relate (as required);
- GBM completing a debt or equity capital raising of at least A\$7 million (representing the estimated Stage 1 funding required for the re-development of Mt Coolon); and
- the SPA being endorsed by the Commissioner of State Revenue in the manner prescribed in the Duties Act.

GBM has 90 days to satisfy all these conditions or such later date as the parties may agree or the SPA is terminated.

3. Financial Assurance

The current Financial Assurance of A\$1 million (meaning the sum provided as environmental security pursuant to the Mineral Resources Act 1989, Queensland) will be replaced on the transfer of the Twin Hill tenements to GBM.

Refer to ASX announcement 28 September 2018 for further details regarding the Twin Hills Sale and Purchase Agreement.

Development Summary YTD

Over the past 9 months the Company has been achieved a number of key milestones for the Mt Coolon Gold Project in targeting the objective of short-term gold production and cash flow generation.

Key events for the Mt Coolon Gold Project over the past year include:

- Scoping Study completion. Confirmed robust development economics with an estimated pre-tax IRR of 48% and pre-tax NPV_{10%} of A\$37 million (refer ASX announcement 4 December 2017).
- New exploration permit applications (EPMA 26914 and 26842) adjacent to the large Bimurra and Eugenia epithermal gold systems. This further secures the exploration strategy underpinning GBM's targeted growth within this world class gold province.
- The Queensland Department of Environment and Heritage Protection approved a variation to the Environmental Authority covering the Koala and Glen Eva deposits. This variation allows for mining of the Koala South and Central Pit and means those deposits are effectively ready for mining start-up.
- GBM signed an Ore Purchase Agreement with Minjar Gold Pty Ltd to treat ore through the nearby Pajingo processing facility from 2019. This delivers clear opportunity for a very low-capital entry to gold production and cash flow generation for the Company (refer ASX announcement 18 July 2018).
- Agreement to acquire the Twin Hills Gold Project from Minjar Gold Pty Ltd. This acquisition delivers the clear potential to rapidly double GBM's existing resource base. Upon completion, the Company believes the acquisition can further underwrite the development of the Mt Coolon Gold Project via the potential contribution of high-margin satellite ore feed.

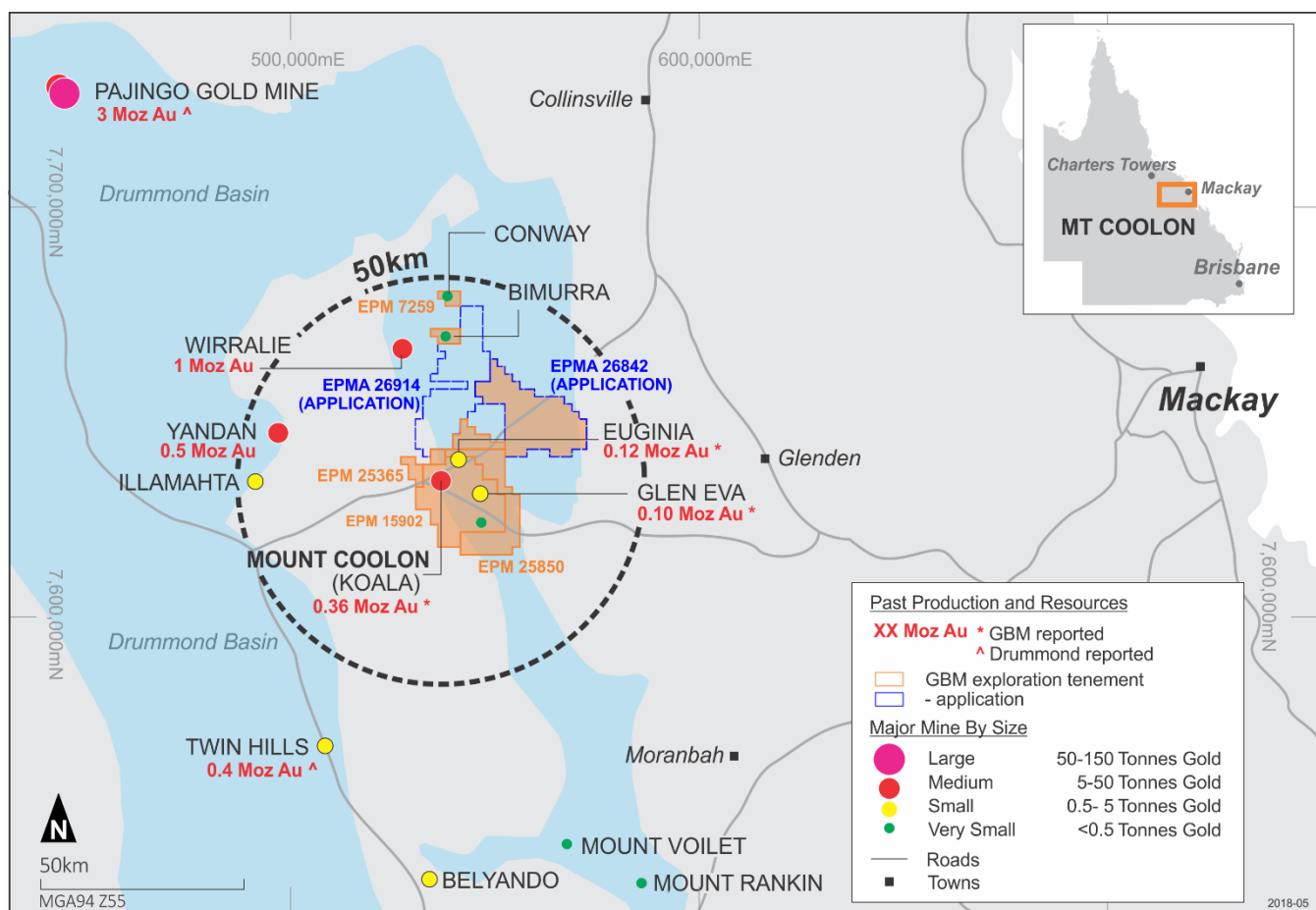


Figure: Mount Coolon Project Location plan showing the current GBM deposits and the nearby Twin Hills Gold Project. Known gold attributable to each deposit (past production plus resources) is shown.

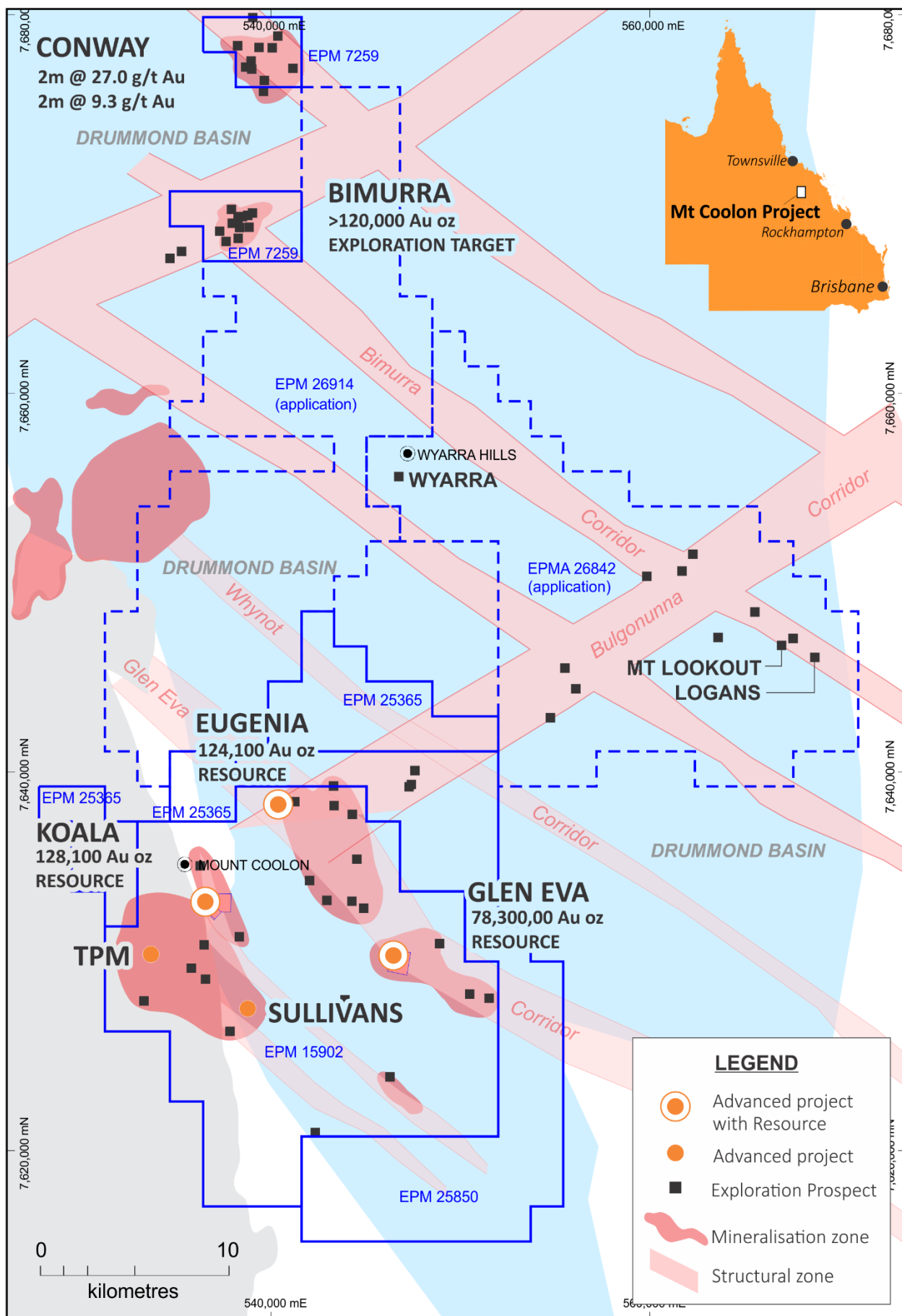


Figure: Resources, exploration targets and tenement locations in the Mount Coolon Gold Project.

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				
Koala	Open Pit				670	2.6	55,100	440	1.9	26,700	1,120	2.3	81,800	0.4
	Underground Extension				50	3.2	5,300	260	4	34,400	320	3.9	39,700	2.0
	Tailings	114	1.6	6,200	9	1.6	400				124	1.6	6,600	1
	Total	114	1.7	6,200	729	2.6	60,800	700	2.7	61,100	1,563	2.5	128,100	
Eugenia	Oxide				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
	Sulphide				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
	Total				1,790	1.1	65,900	1,639	1.1	58,200	3,430	1.1	124,100	
Glen Eva	Open Pit				1,070	1.6	55,200	580	1.2	23,100	1,660	1.5	78,300	0.4
Total		114	0.0	6,200	3,590	1.6	181,900	2,919	1.5	142,400	6,653	1.5	330,500	

Table: November 2017 Resource Summary for the MCGP. Please note rounding (1,000's tonnes, 100's ounces, 0.1 g/t) may cause minor variations to totals. For full details please refer to ASX release dated the 4th of December 2017.

Background to the Mount Coolon Gold 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 the issued capital of Mt Coolon Gold Mines Pty Ltd. This transaction was completed during April (*refer ASX announcement 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 (e.g. 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, four granted exploration permits and one exploration permit application covering a total area of 1095 km². Independent review of these tenements has confirmed that all are in good standing and key mining licences are current until 2024.

Yea Tungsten-Molybdenum-Gold Project, Victoria (100% GBM)

The Yea Project holds potential for the discovery of an Intrusive Related Gold System, however as initial results point to immediate prospectivity for tungsten, the project is considered non-core and a Binding Terms sheet has been signed with Kennington Global Limited (KGL), a Hong Kong registered company.

Under the terms of the agreement, KGL has the right to acquire up to 80% of the Project by spending A\$0.6M with GBM retaining a 20% free carried interest to completion of a Bankable Feasibility Study. KGL representatives have conducted two site visits and a formal JV document is being finalized along with an initial drilling programme.

Previous drilling by GBM at the Monkey Gully Prospect intersected 17 metres averaging 0.19% W₂O₃ and 262 ppm Mo from 101 metres downhole, including 8 metres averaging 0.34% W₂O₃ and 493ppm Mo. Review of previous exploration data has also highlighted a number of significant geochemical and geophysical anomalies which represent targets for future exploration.

Two target styles have been proposed at Monkey Gully; a near surface target of multiple close-spaced dykes and dyke contacts and a deeper mineralised carapace over the tonalite source intrusion. Given the size of the central magnetic high (2 kilometre x 0.8 kilometre) and the modelled association with a mineralised tonalite carapace, the deep target has significant exploration potential for a large-tonnage W-Mo +- Au IRGS deposit.

Copper Gold Projects

PAN PACIFIC COPPER FARM-IN PROJECTS, MOUNT ISA REGION, QUEENSLAND

Introduction

The 2018 field program at the Mt Margaret project was completed during the quarter. The final block of the 3D Induced Potential (3DIP) geophysical survey initiated in 2015 at FC2 prospect was completed and a full set of 2D inversions and an updated 3D model were produced. A two-hole diamond drilling program was undertaken at FC2 Anomaly B geophysical target and at the nearby Tommy Creek gravity target. Both prospects are located approximately 20 km north-west of the Ernst Henry Cu-Au mine within prospective Fort Constantine Volcanics and beneath 50-70 m of cover sediments. The results of the 2018 field program are discussed below.

The Mt Margaret project is part of a Farm-In JV arrangement with Pan Pacific Copper. Cloncurry Exploration & Development Pty Ltd (CED) is a subsidiary company of Pan Pacific Copper Co. Ltd which hold approximately a 52% interest covering Mount Margaret and Bungalien Projects. The CED Farm-In JV has now completed the field component of the approved budget and work program for 2018.

Summary of Results (refer ASX announcements 16 August 2018 and 31 October 2018)

FC2 Prospect

FC2 is a large (4 km²), structurally complex zone of elevated magnetic, gravity and electrical response obscured by 50-60 m of cover sediments. The JV in previous field seasons has completed detailed ground gravity, airborne magnetic and 2D/3D IP geophysical surveys, partial leach surface geochemical sampling, and drilled three deep diamond scout holes to test coincident geophysical anomalies. Two of the three holes (MMA007 and MMA010) tested the "Anomaly A" 3DIP/gravity/magnetic target, returning anomalous copper mineralisation associated with intense magnetite and feldspar alteration.

The host rock type, alteration, mineralisation and structural geometry intersected in previous JV drilling is analogous to the Ernest Henry setting and showed the potential for the FC2 prospect to host a large IOCG copper-gold deposit. A second 3DIP target defined in 2017, "Anomaly B", was scheduled for drill testing in the 2018 season along with the continuation of the 3DIP survey towards the southern margin of the prospect.

3DIP Geophysics: The 3DIP program at FC2 southern block (Area 3) was completed during July by Moombarriga Geoscience. Area 3 is the third and final 3DIP area to be surveyed over the greater FC2 prospect. The survey consisted of two transmitter/receiver (Tx/Rx) line sets with Tx/Rx point locations at 100m spacing and all line spacing at 100m.

The survey location and geometry is shown in the figure below.

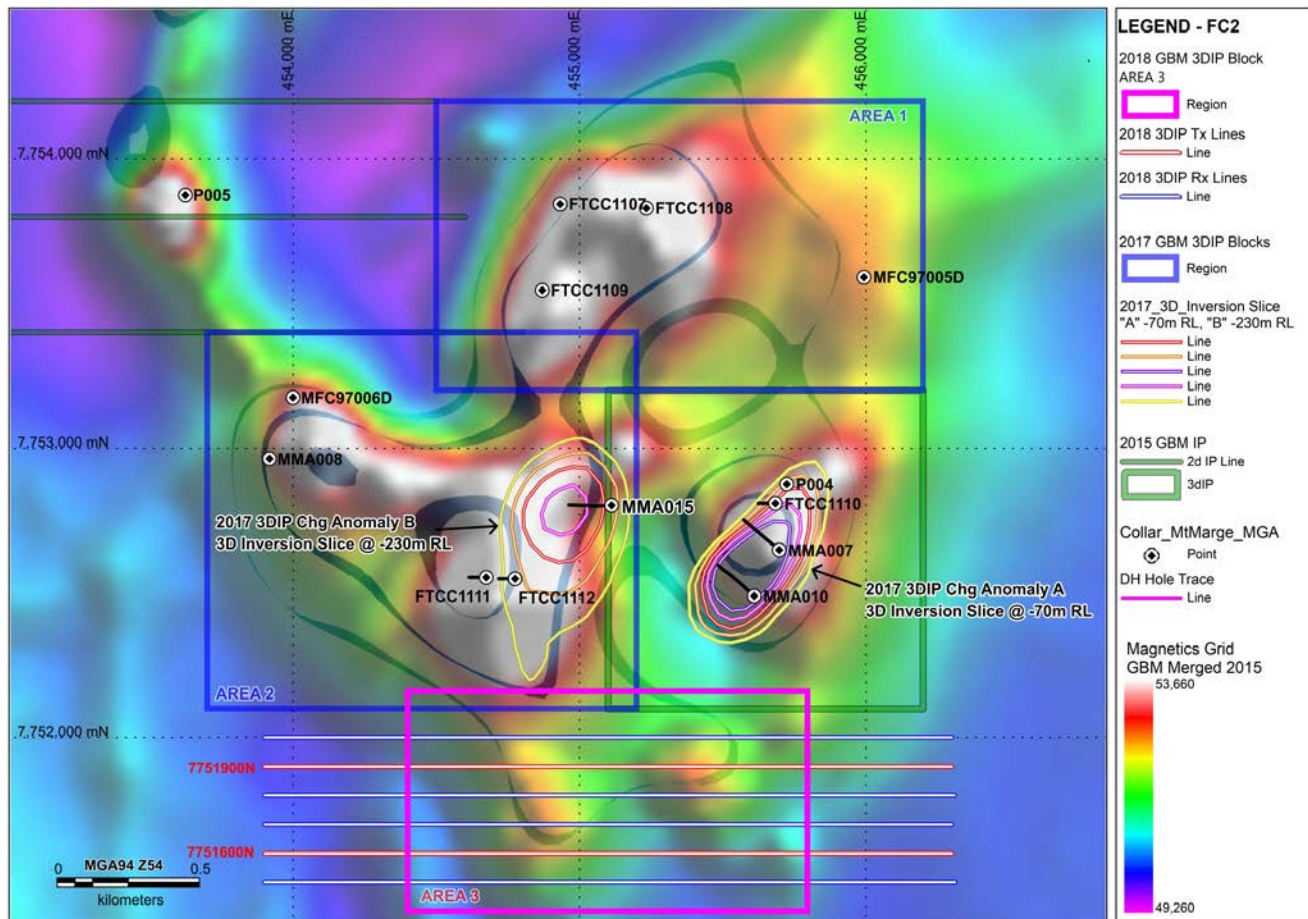


Figure: Completed 3DIP Rx-Tx lines over south end of FC2 complex within Area 3. The recently completed Area 3 is the southern-most pink polygon.

All 3DIP data from Area 3 was merged with existing survey results which allowed the production of a 2D model stack including all Tx lines from the multi-phase 3DIP program, and a new 3D model. The 2D inversions indicate the chargeability anomalies targeted by JV drilling at Anomaly A and B continue south into the southern Area 3 block and may converge towards the southern line.

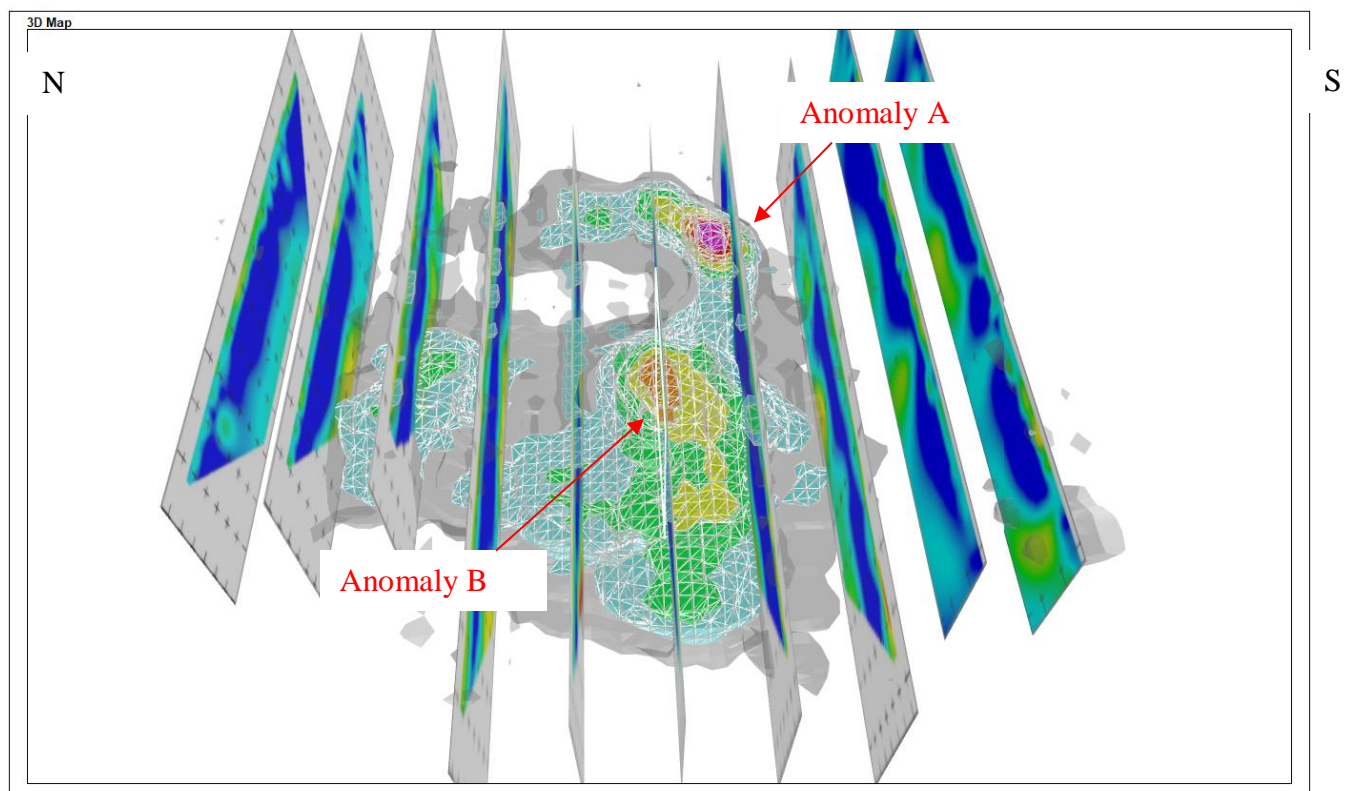


Figure: Oblique view to the East of the final 3DIP 3D inversion at FC (chargeability shells grey to pink in order of increasing response), with final 2D inversion sections (southern-most two sections from 2018 survey Area 3).

Drilling: Drill hole MMA015 was completed in September at FC2 Anomaly B. The hole intersected intermediate volcanics of probable andesitic composition from 57.2m downhole (top of basement) to the end of hole at 442.2 m. The lithology is likely to be equivalent to the andesitic Fort Constantine Volcanics that are the main host of the Ernest Henry deposit. Actinolite, magnetite, biotite, apatite and red feldspar alteration is patchy throughout the hole, typically as vein and vein selvage. The vein frequency increases over the last 100 m of the hole, reflected in the increasing magnetic susceptibility readings (see section below).

Significant sulphide mineralisation (up to 10% pyrite, 0.5% chalcopyrite) occurs within a 2 metre, massive pyrite-chalcopyrite-magnetite-actinolite-chlorite-carbonate-apatite vein from 385.2 to 387mDH. Assays for this interval returned 2m @ 0.39 % Cu (see figure and core photo below). Minor pyrite (0.1-0.3%) and rare chalcopyrite occurs elsewhere throughout the hole, typically associated with actinolite-magnetite veins.

Sulphide mineralisation of the type encountered in the 2 metre vein at 385-387mDH is a potential source of the chargeability anomaly although the intersection in this hole is too narrow to define the anomaly by itself. It is at a depth that agrees with the modelled anomaly (figure below) and may be indicating that more extensive sulphide mineralisation occurs in the targeted area but has been missed by the drill-hole. Measured vein contacts indicate a NE strike and SE dip, similar to the Ernest Henry orebody orientation. This geometry may also vector towards the centre of magnetic and gravity response immediately west of the chargeability anomaly.



Figure: Drill hole MMA015. Massive pyrite-chalcopyrite-magnetite-actinolite-chlorite-carbonate-apatite vein (385.2-387mDH) returned 2m @ 0.39 % Cu from 385 m downhole.

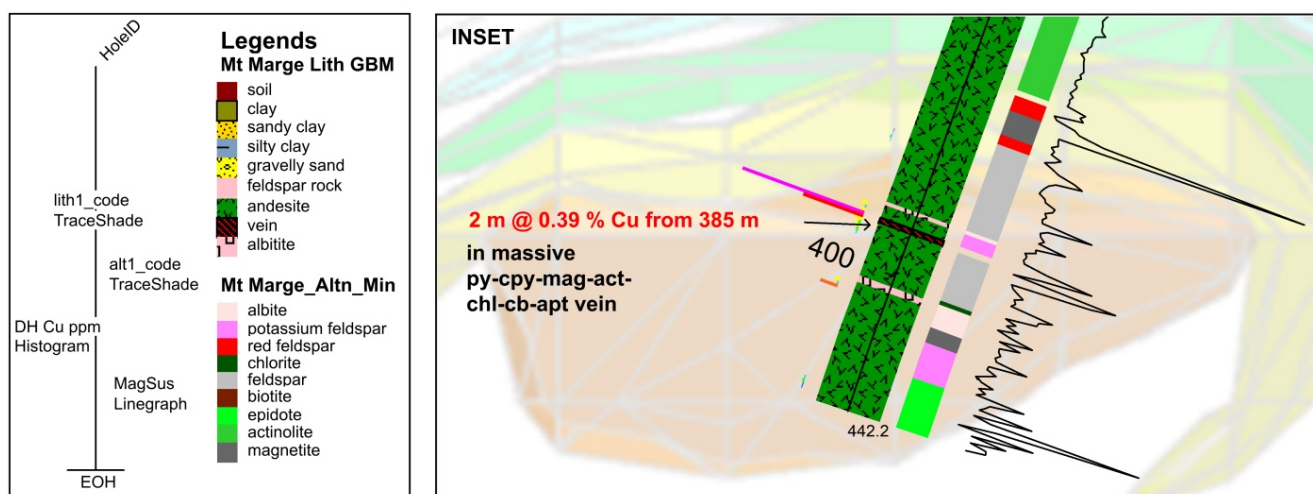
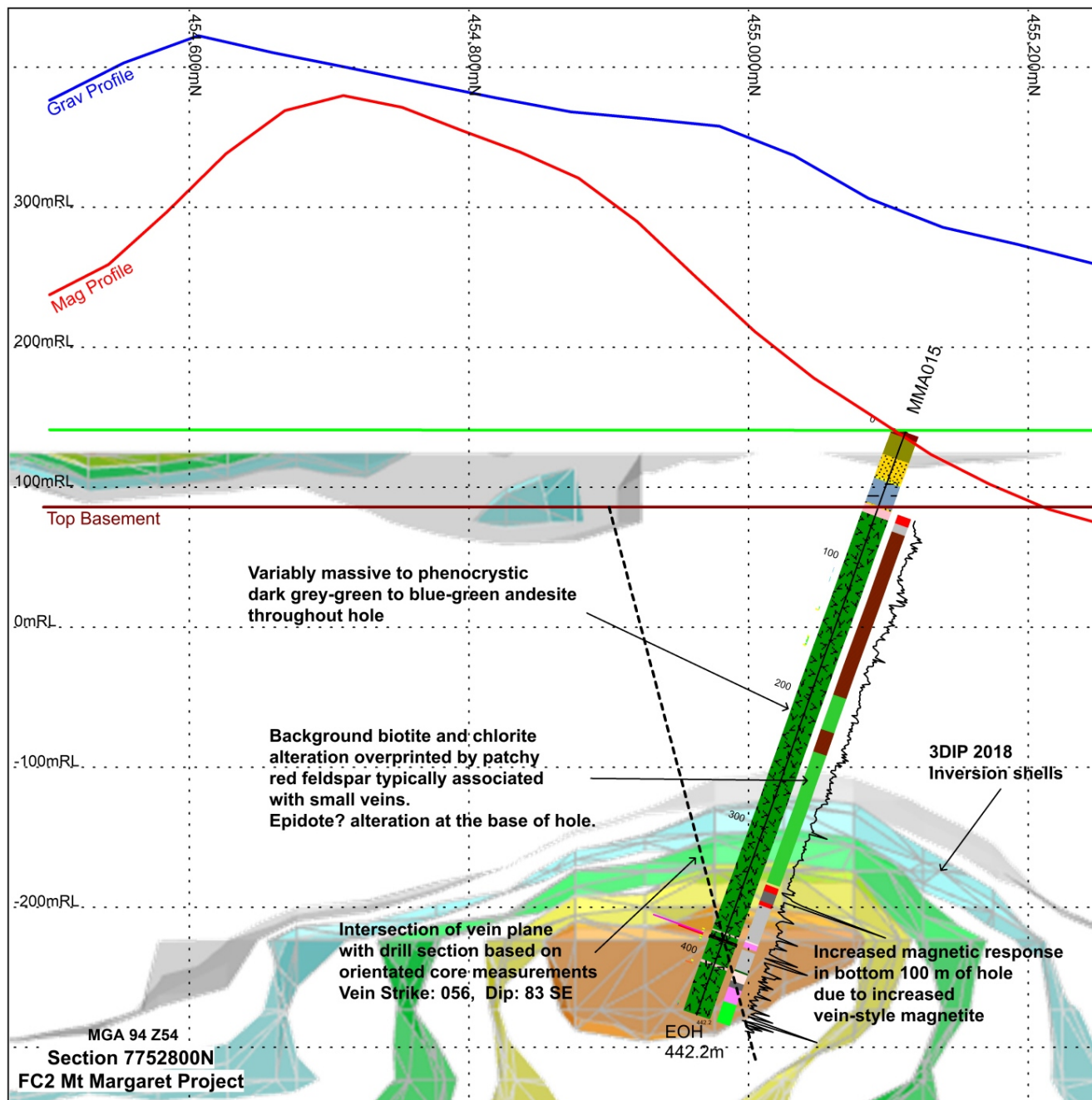
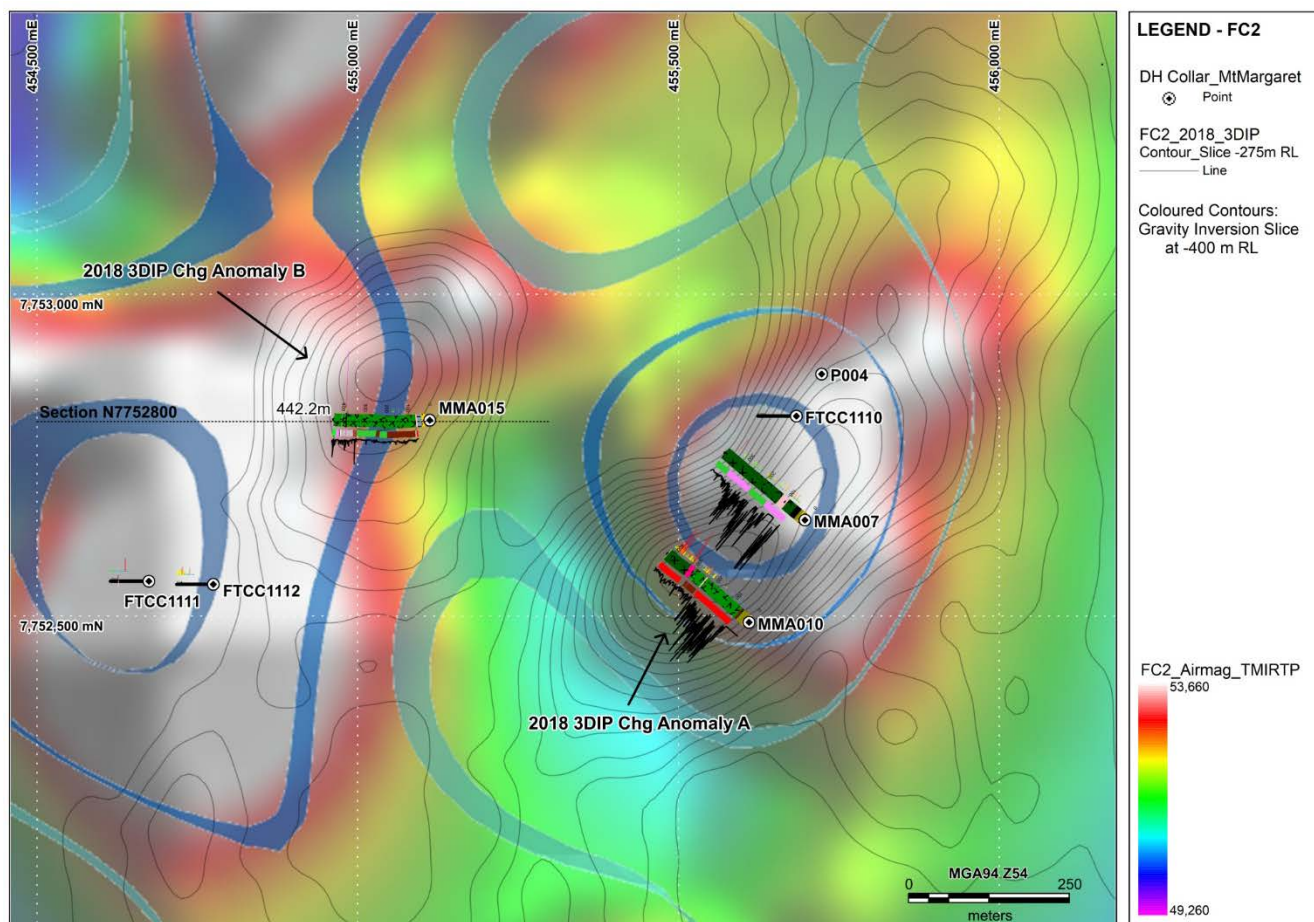
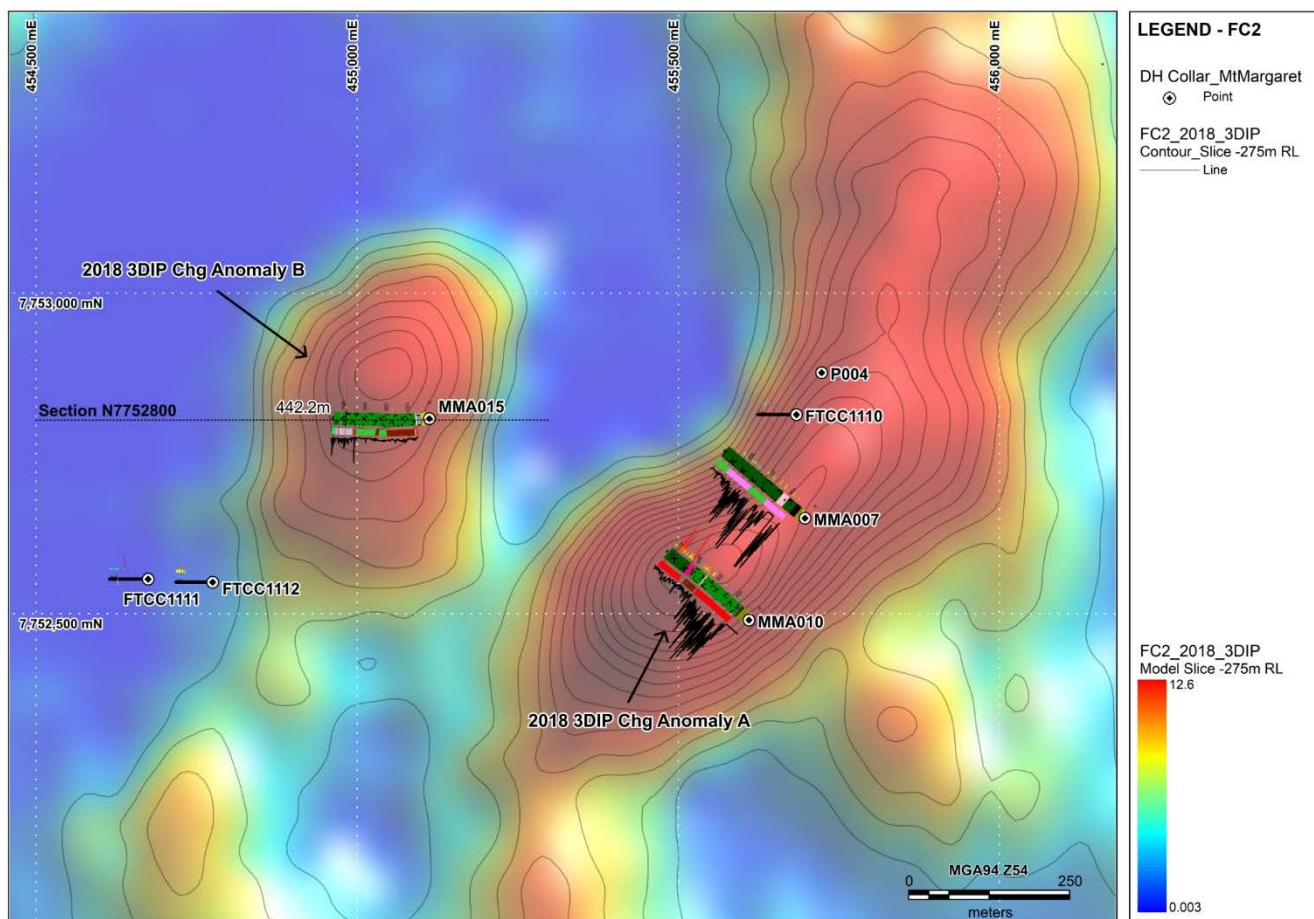


Figure: FC2 drilling cross-section at 7752800N through the 3DIP chargeability model (coloured shells) and showing hole MMA015 with downhole Cu assays, magnetic susceptibility, lithology and alteration displayed.



Figures: Plan views of all GBM and historical drilling at FC2 with Cu, Magsus, lithology and alteration shown downhole (legend on cross-section). Background images: (top) slice through the 3DIP model at -275m RL or 415m below surface, (bottom) airborne TMIRTP magnetics with 2018 gravity model slice contours in colour.

Tommy Creek Prospect

Drilling: Ground gravity surveying by the JV in 2017 and subsequent 3D inversion modelling of the gravity data earlier this year produced a strong, discrete and semi-circular gravity anomaly ("TC-A") coincident with a positive magnetic signature located beneath shallow cover, five kilometres south of FC2. Tommy Creek was considered a high-priority scout drill target due to the intensity of the gravity response (2-3 Mgal; similar to Ernest Henry) and no prior drill testing.

Drill hole MMA014 intersected basement at 65 m downhole. Depth estimates to the top of basement from various geophysical datasets were all greater than the drilled depth suggesting a local basement high may exist at TC-A. Basement rocks consisted of dark-green pyroxene dolerite with weak chlorite alteration and rare carbonate veins throughout. No significant feldspar or sulphide alteration was observed and the hole was terminated at 160.05 m, approximately 80 m earlier than the planned depth, due to the intersection of non-prospective doleritic rock and a lack of sulphide mineralisation. The combination of relatively dense mafic rock and a probable basement topographic high is considered to explain the gravity anomaly. No further work is justified at Tommy Creek.

Forward Program

The 2018 program field component is now complete. Work during the next quarter will consist of data interpretation, target generation and 2019 program planning.

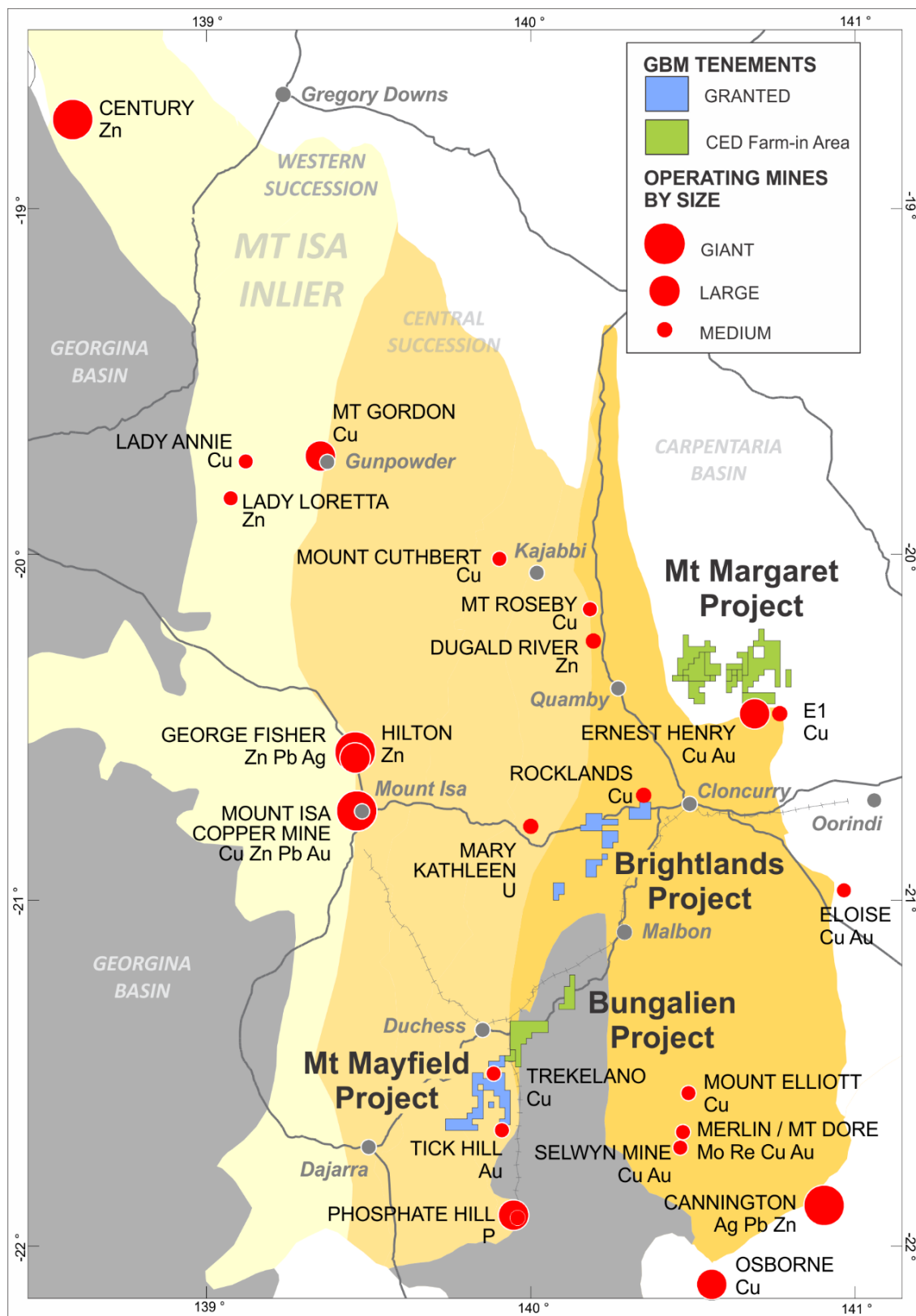


Figure: Location map showing Farm-in Areas and GBM tenements in the North West Mineral Province, Queensland.

TENEMENT SUMMARY

Throughout the September 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.

Exploration permit applications for EPMA26842 'Bulgonunna' and EPMA26914 'Black Creek' covering additional ground immediately east and north of the Mount Coolon Project lodged during the previous quarter have now received Work Program approval and issued with Environmental Authority. Native Title notification process is underway.

Renewal Applications for EPM16057 'Dee Range', EPM19288 'Limonite Hill East', EPM18174 'Dry Creek Ext' and EPM25544 'Tommy Creek' were submitted.

Project / Name	Tenement No.	Owner	Manager	Interest	Status	Granted	Approx Area (km ²)
Victoria							
Malmsbury							
Drummond	RL6587	GBMR ^{*1} /Belltopper Hill	GBMR	100%	Application		6.7
Yea							
Monkey Gully	EL5293	GBMR	GBMR	100%	Granted	23-Mar-11	25
Queensland							
Mount Morgan (Project Status)							
Dee Range	EPM16057	GBMR	GBMR	100%	Granted	27-Sep-07	36
Boulder Creek	EPM17105	GBMR	GBMR	100%	Granted	26-Mar-08	88
Black Range	EPM17734	GBMR	GBMR	100%	Granted	20-May-09	49
Smelter Return	EPM18366	GBMR	GBMR	100%	Granted	21-Jun-12	62
Limonite Hill	EPM18811	GBMR	GBMR	100%	Granted	21-Nov-12	107
Mt Hoopbound	EPM18812	GBMR	GBMR	100%	Granted	26-Jul-12	23
Limonite Hill East	EPM19288	GBMR	GBMR	100%	Granted	31-Oct-13	3
Mt Victoria	EPM25177	GBMR	GBMR	100%	Granted	26-Aug-14	3
Bajool	EPM25362	GBMR	GBMR	100%	Granted	27-Nov-14	88
Mountain Maid	EPM25678	GBMR	GBMR	100%	Granted	09-Apr-15	26
Moonmera	EPM19849	GBMR ^{*3}	GBMR	100%	Granted	12-Apr-13	16
Mount Usher	ML100184	GBMR	GBMR	100%	Application		6
Mount Isa Region							
Mount Margaret (Project Status)							
Mt Malakoff Ext	EPM16398	GBMR ^{*2} /Isa Tenements	GBMR	48%	Granted	19-Oct-10	85
Cotswold	EPM16622	GBMR ^{*2} /Isa Tenements	GBMR	48%	Granted	30-Nov-12	16
Dry Creek	EPM18172	GBMR ^{*2} /Isa Tenements	GBMR	48%	Granted	13-Jul-12	189
Dry Creek Ext	EPM18174	GBMR ^{*2} /Isa Tenements	GBMR	48%	Granted	25-Oct-11	23
Mt Marge	EPM19834	GBMR/Isa Tenements	GBMR	48%	Granted	04-Mar-13	3
Corella	EPM25545	GBMR/Isa Tenements	GBMR	48%	Granted	20-Mar-15	46
Tommy Creek	EPM25544	GBMR/Isa Tenements	GBMR	48%	Granted	11-Nov-14	33
Brightlands							
Brightlands	EPM14416	GBMR ^{*2} /Isa Brightlands	GBMR	100%	Granted	5-Aug-05	127
Bungalien							
Bungalien 2	EPM18207	GBMR ^{*2} /Isa Tenements	GBMR	48%	Granted	24-May-12	120
The Brothers	EPM25213	GBMR/Isa Tenements	GBMR	48%	Granted	16-Oct-14	10
Mayfield							
Mayfield	EPM19483	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	11-Mar-14	172
Mt Coolon							
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	Granted	13-Jun-08	325
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	Granted	18-Sep-14	85
Mt Coolon East	EPM25850	GBMR/MCGM	GBMR	100%	Granted	07-Sep-15	176
Conway	EPM7259	GBMR/MCGM	GBMR	100%	Granted	18-May-90	39
Bungonunna	EPM26842				Application		325
Black Creek	EPM26314				Application		325
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	Granted	30-May-74	0.7
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	0.0
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	1.0
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	Granted	05-Dec-96	1.3
TOTALS							2637

Note

^{*1} subject to a 2.5% net smelter royalty to vendors.

^{*2} subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.

^{*3} subject to 1% smelter royalty and other conditions to Rio Tinto

Figure: GBM Tenement summary table as at 30th of Sept 2018.

CORPORATE

1. The Company spent a total of A\$495,000 in the quarter, of which A\$495,000 was for exploration and project development and A\$230,000 for corporate and administration costs. Cash as at 30 September was \$906,000.
2. The Company Share Purchase Plan (SPP) announced on the 20 June 2018 closed on 31 July 2018. Under the terms of the SPP, eligible shareholders were offered the opportunity to subscribe for up to \$15,000 worth of fully paid ordinary GBM shares at an issue price of 0.5 cents per share. A total of 47,030,000 fully paid ordinary shares were issued raising \$235,150 before costs.
3. During the quarter the Company also completed the first tranche of a Share Placement. A total of 140,000,000 ordinary fully paid shares at 0.5 cents per share were issued raising \$700,000. Subsequent to the end of the quarter the Company completed the second tranche of the share placement following shareholder approval on 11 September 2018, issuing a further 40,000,000 ordinary fully paid shares at 0.5 cents per share raising \$200,000.

For Further information please contact:

Peter Thompson
Managing Director
GBM Resources Limited
Tel: 08 9316 9100

Media enquiries:
Michael Vaughan
Fivemark Partners
+61 422 602 720
Michael.vaughan@fivemark.com.au

Competent Persons Statements:

The information in this report that relates to Mineral Resources, Exploration Targets and Exploration Results 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.

Explanatory notes:

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.

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.

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 2018

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	(495)	(495)
(b) development	-	-
(c) production	-	-
(d) staff costs	(45)	(45)
(e) administration and corporate costs	(185)	(185)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (incl. farm-in management fee)	118	118
1.9 Net cash from / (used in) operating activities	(607)	(607)
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 – bonds/deposits	-	-

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 – bonds/deposits	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Farm-in partner exploration contributions	146	146
2.6	Net cash from / (used in) investing activities	146	146
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares and options	1,035	1,035
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	(19)	(19)
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	1,016	1,016
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	351	351
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(607)	(607)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	146	146
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,016	1,016
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	906	906

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	870	242
5.2 Call deposits	36	109
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)	906	351

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

Current quarter \$A'000
58
-

Remuneration and fees paid to directors.

7. Payments to related entities of the entity and their associates

- 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

Current quarter \$A'000
-
-

N/a

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

- 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.

9.	Estimated cash outflows for next quarter	\$A'000
9.1	Exploration and evaluation	200
9.2	Development	-
9.3	Production	-
9.4	Staff costs	45
9.5	Administration and corporate costs	150
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	395

The Company is cognisant of the fact that additional funding will be required to meet short term working capital requirements and is assessing various capital raising opportunities.

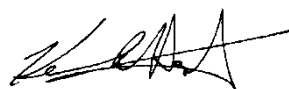
Subsequent to the end of the quarter the Company received a further \$100,000 in respect of a share placement completed on 9 October 2018.

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	NIL			
10.2	Interests in mining tenements and petroleum tenements acquired or increased	EPM 26842, 26914	100%	nil	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 2018

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.