



Quarterly Activities Report 30 September 2018

ASX Release

31 October 2018

**Magnum Mining and
Exploration Limited**
ABN 70 003 170 376

ASX Code
MGU

Non-Executive Chairman
Howard Dawson

Chief Executive Officer
Grant Button

Non-Executive Director
Francesco Cannavo

Company Secretaries
Grant Button
Jacqueline Barry

Issued Shares
279,578,818

Unlisted Options
9,000,000

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HIGHLIGHTS

Gravelotte Emerald Project, South Africa

- Testing of both Optical and XRF sorting options progressing as scheduled.
- XRF test work has produced excellent results which is a significant development as it provides an alternate sorting option for the project.
- Small optical sorter installed onsite for a one month rental period for assessment of optical sorting technique

Tanami West Project, Northern Territory

- Air-core drilling programme at Tanami West completed.
- Geologically and structurally complex section targeted.
- Extensive zone of altered and fractured rocks intersected across two drill lines.
- Broad zone of anomalous copper across four drill lines

OPERATIONS

Gravelotte Project, South Africa

Magnum's 74%-owned Gravelotte Project is located in the Limpopo Province of South Africa. Emeralds were discovered in the province in 1927 and, since then, several companies have explored for and mined within the broader region for emeralds.

From 1929 to 1982 the total recorded emerald production from the Gravelotte Project, as well as the area surrounding the nearby Gravelotte township, was nearly 113 million carats.

It is reported that during the 1960's the Gravelotte Project itself was the largest mine of its type in the world, employing over 400 sorters.

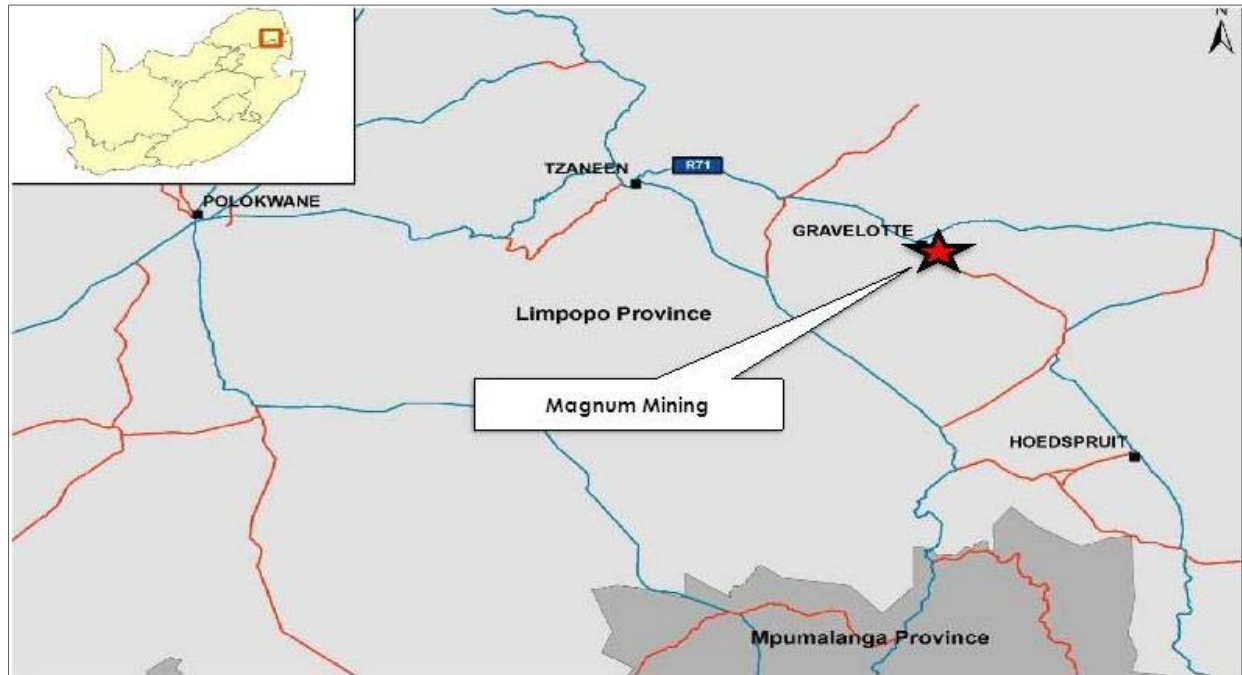


Figure 1: Gravelotte Location Map

Why is MGU at Gravelotte?

The Gravelotte project provides Magnum with a medium term production opportunity in a niche commodity such as emeralds where demand is growing.

The project offers established infrastructure, existing and accessible open cuts together with extensive low grade dumps, a large (albeit incomplete) historic data base, a nearby and available work force, local on-site technical expertise and a nearby township that can serve as a supply centre.



Photo 1: Aerial view of the Gravelotte Mine Site showing key infrastructure with Cobra and Discovery Pits in background.



Photo 2: Cobra Pits.

During the past three years, Magnum has worked to re-establish the historical database and develop a strong understanding of the geology, structure and controls of mineralisation within the project area.

The Company has maintained and refurbished much of the extensive mine site infrastructure at Gravelotte including offices, laboratory, workshops, garages, management accommodation complex and a mine hostel to accommodate mine workers.

The mine site is well situated with utilities and logistics being serviced by ESKOM grid power, has a sealed road to the mine gate and has a working airstrip.

Work Completed During the September Quarter

As previously advised Magnum has completed its crush test work under Phase 1 of the Trial Mining Operation and the crush characteristics of the emerald bearing material at Gravelotte are now well understood.

This allowed the Company to supply during the September quarter suitably crushed and washed material and a representative sample of emeralds, to various suppliers of optical and x-ray fluorescence sorters.

X-ray Fluorescence sorters

X-ray Fluorescence ("XRF") sorters work by setting an appropriate x-ray wave length that will cause the emeralds partially exposed in the crushed material to fluoresce. When the XRF detects fluorescence, it shoots a short burst of air which causes the fluorescing emerald to be blown from the non-emerald bearing material and into a separate container. The fluorescing material is then placed into a locked safe box before final sorting of this resultant concentrate.

During the September quarter XRF test work with a leading manufacturer of XRF sorters produced excellent recovery results by detecting 100% of the emeralds in the test parcel.

In addition, the testing demonstrated a high efficiency for the final concentrate with less than 3% of the test parcel reporting as concentrate. This means that the XRF sorter is detecting only a minor amount of non-emerald bearing material.

Magnum have been advised that the XRF machines showed excellent durability and require low maintenance which is an important consideration for the potential mining and processing at Gravelotte.

The XRF machine has also, very importantly, demonstrated a high recovery and concentration at high throughput levels.

Discussions and further tests will be ongoing in the near term with various parties to finalise our assessment of this technology.

Optical sorters

The Optical sorting technology utilises cameras to undertake sorting of emeralds by detecting the colour of the emeralds. There are various manufacturers of optical sorters with different software and cameras to undertake the sorting. Magnum has been working with a range of

leading manufacturers to assess the suitability of their machines to optimise the recovery of emeralds from the Gravelotte material.

Test work completed in early September with one European supplier produced positive results and these are being analysed to identify optimisations for the next phase of tests.

During the quarter the Company has also delivered material to a second European producer of optical sorters and trials are anticipated to be undertaken shortly.

In addition, the Company rented a small optical sorter, from a third manufacturer, and commenced trialling it late in the quarter.

What's Next?

Magnum will continue its collaboration with the various parties on assessing and optimizing the sorting options available.

The various technologies and manufacturers are being assessed against the main variables of performance, cost, throughput capacity and lead times for delivery of machines.

The Company is very satisfied with the progress made to date in assessing the sorting options.

It is intended that this phase of assessing and selecting a sorting solution will be completed in the December quarter.

Phase 2 Trial Mining Operation

Phase 2 of the trial mining operation involves the mining and processing of around 8,000 tonnes of hard rock from the Cobra and Discovery pits.

In conjunction with this mining the company will commission a crushing and washing plant capable of processing around 2,000 tonnes per month.

The resulting material will then be sorted by either XRF or optical sorting with the emeralds produced then provided to various buyers to ascertain the price range for the Gravelotte stones.

Phase 2 of the trial mining operation is scheduled to commence in the March 2019 quarter, subject to equipment mobilisation.

Tanami West Project, Northern Territory, Australia

Overview

The Tanami West Project consists of exploration licence 30256 and pursuant to an agreement with the tenement's 100% owner Ferdies Find Pty Ltd ("Ferdies"), Magnum can earn up to 80% of the issued capital of Ferdies subject to an exploration expenditure of \$1.1 million over a minimum of three years.

Location

The Tanami West project is located in the Northern Territory approximately 570km northwest from Alice Springs, 33km east of the West Australian border and 140km north of Lake MacKay (Figure 2).

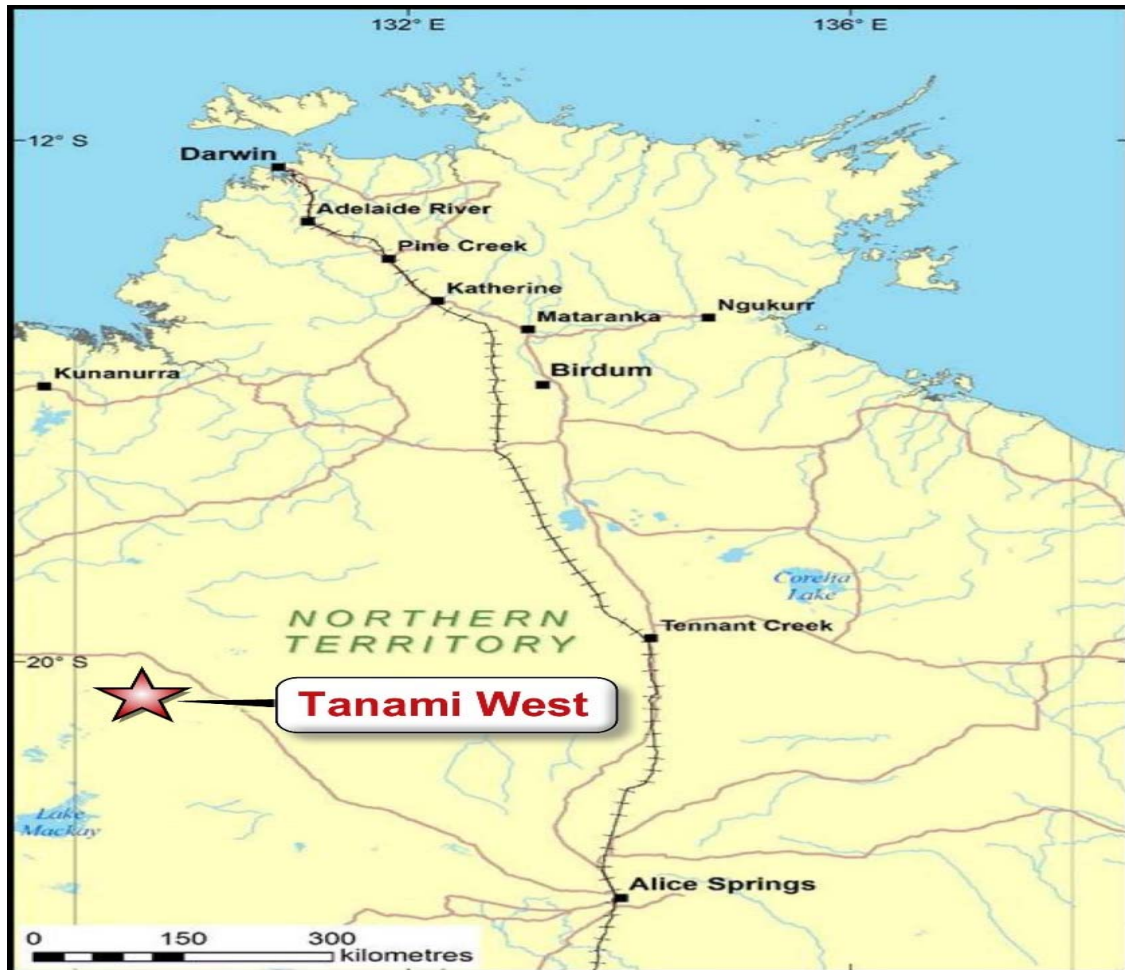


Figure 2: Tanami West Location Map

The project area is located to the east of Graveyard Bore in a soil and sand covered area with grass and mulga scrub. (see Figure 3)

Drilling Programme

During the September quarter Magnum completed a first pass reconnaissance drilling programme across the targeted area at Tanami West as shown in Figure 4.

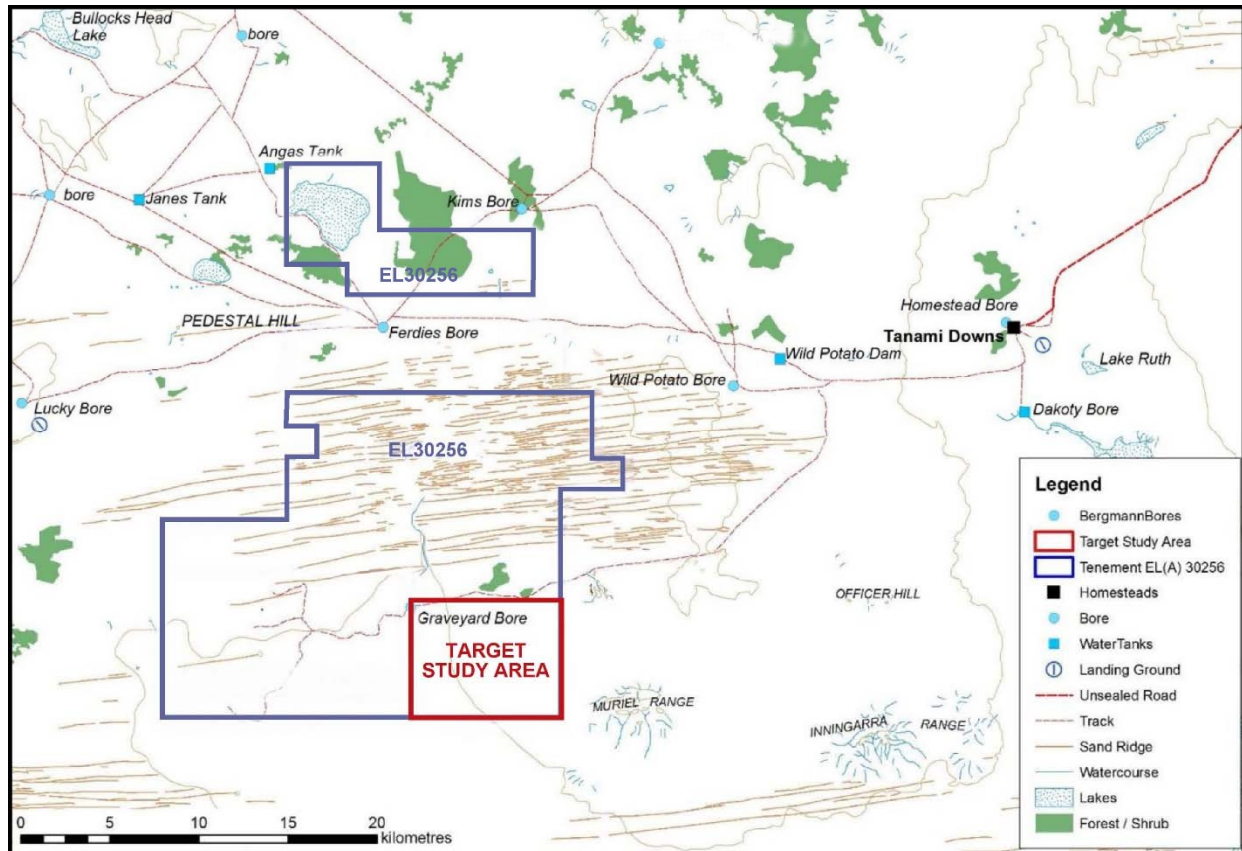


Figure 3: Tanami West Exploration Programme Target Study Area

Drilling was on a 800 metre by 400 metre grid with each hole logged on 1 metre intervals. Samples were collected from the base 4-6 metres of each hole as well as higher intervals where alteration was logged.

Mapping during the drill programme confirmed that the very large majority of this area is sand covered with only minimal outcrop located on the extreme eastern boundary of the tenement.

The drilling programme was largely reconnaissance - so as to provide important geological and geochemical information over a poorly understood part of the Tanami region. A number of the drill traverses were however also positioned over specific magnetic and structural features which had been identified as potentially overlying or being located adjacent to lithology's that host gold mineralisation in the Tanami region.

A total of 83 aircore holes for 2,103 metres were drilled with the majority of holes being stopped at blade refusal.

The drilling confirmed that a thin unit of transported aeolian sand overlies a significantly leached weathering profile.

The dominant lithologies intersected were sandstones, siltstones and vesicular basalts and work is continuing to determine their stratigraphic position within the Tanami Group sequence.

Drilling on the southern end of lines 4 and 5, and to a lesser extent on Line 6 intersected a wide zone of intensely altered and fractured rocks which appear to be after siltstone and possibly volcanic fragmentals although this needs to be confirmed by petrology.

Within this altered sequence on line 4, hard marble (metamorphosed limestone) was also intersected across two drill holes. This may indicate metasomatic alteration which could tie in with the alteration observed in the adjacent holes.

No obvious mineralisation was observed during the drilling but base of hole geochemical sampling has outlined a broad zone of elevated Cu within and adjacent to the area of interest.

Based on the drilling and re-logging of holes previously drilled to the west by the tenement holder the project potentially hosts two volcanic centres and this possibility will be further explored.

Because of the extensive cover it is proposed that a VTEM survey to explore for potential conductors will be the next stage of exploration.

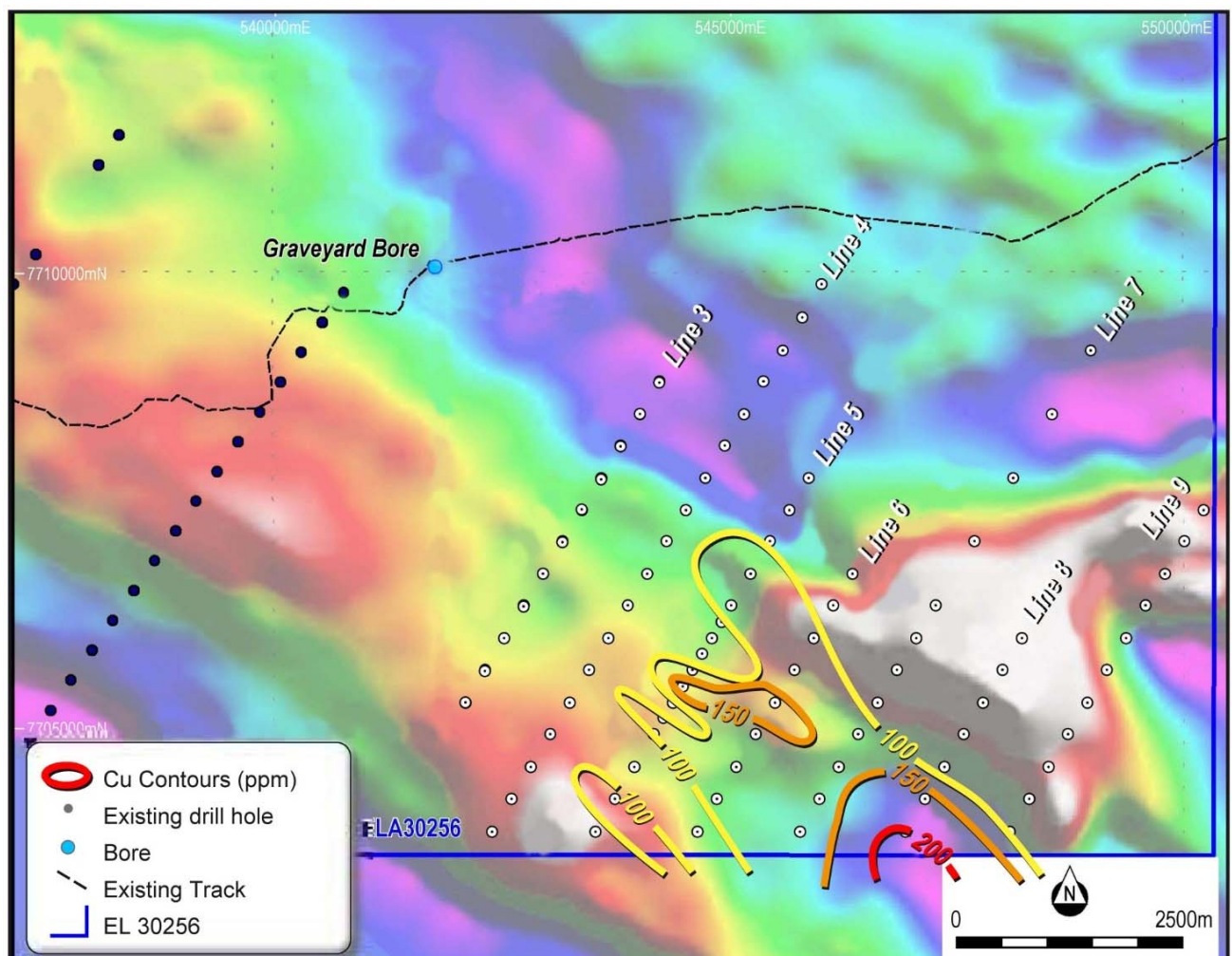


Figure 4: Reprocessed Aeromagnetics with Cu Contours

Cloncurry East Project, Queensland, Australia

Magnum's Cloncurry East project consists of two tenements groups which lie between 10-20 kilometres east of Cloncurry in North West Queensland. The project lies within the highly mineralised Mt Isa Eastern succession of rocks with nearby mining operations and advanced projects including Ernest Henry (Cu-Au), Monakoff (Cu-Au-Pb-U), Great Australia (Cu-Au), Rocklands (Cu-Au) and Dugald River (Zn-Pb-Ag).

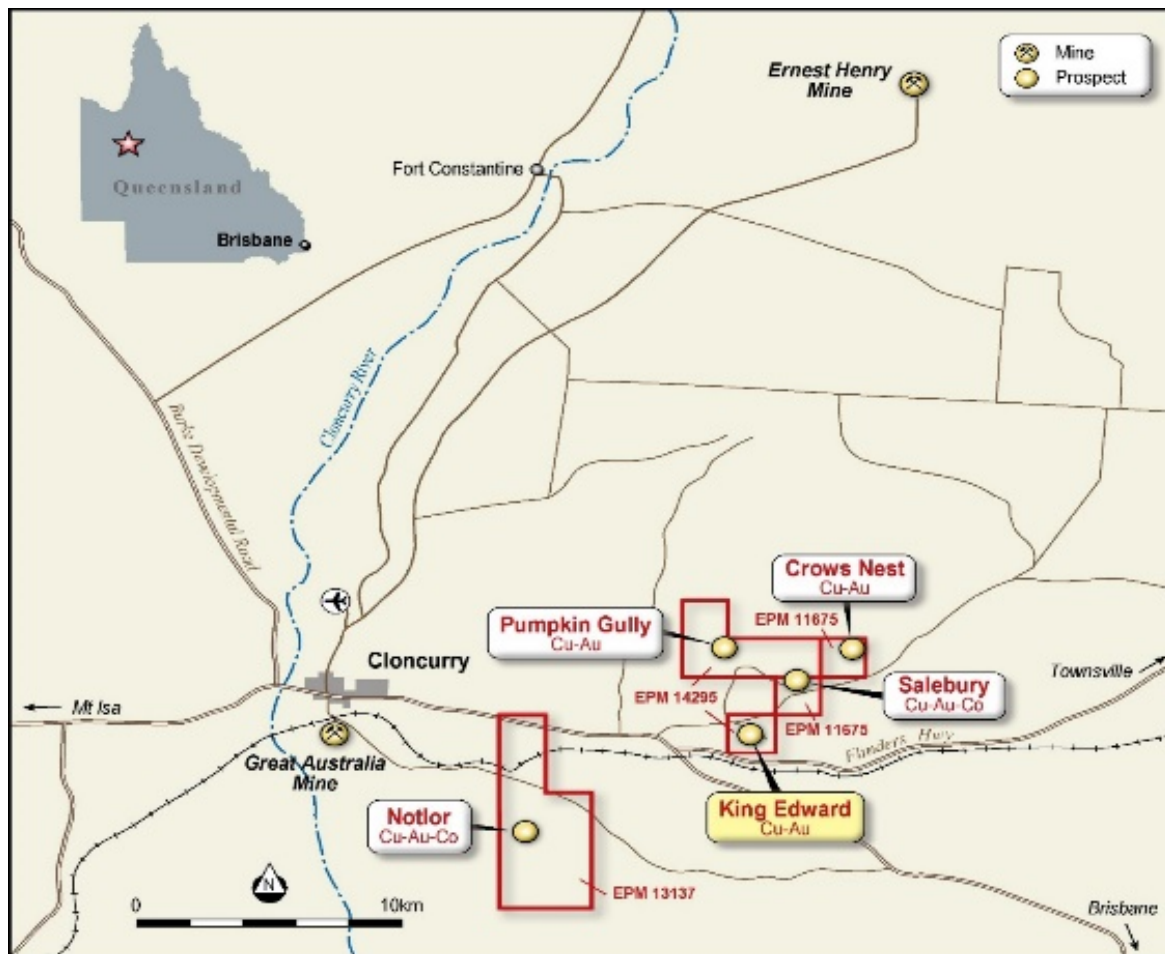


Figure 5: Cloncurry East Project: Location of EPM's

The Cloncurry East Project ("CEP") is a farm in between Magnum Mining and Exploration Ltd ("Magnum"), and Exco Resources Ltd ("Exco") and Copperchem Limited ("CCL"). Together Exco and CCL form the CopperChem Group or "CCG".

The work completed to date at Cloncurry East indicates a lower tonnage potential across the main prospects than was originally targeted and as a result Magnum has advised CCG of its intention to withdraw from the joint venture.

CORPORATE

On 6 August 2018 the Company announced the appointment of Mr Francesco Cannavo as a Non-Executive Director.

EXPLORATION INTERESTS

The following information is provided in accordance with ASX Listing Rule 5.3 for the quarter ended 30 September 2018:

1. Listing of tenements held:

Location	Project	Tenement Type	Number	Interest	Status
Limpopo Province, South Africa	Gravelotte	Mining Right	LP 153 CMR	74%	Granted
Limpopo Province, South Africa	Gravelotte	Prospecting Right	LP 30/5/1/1/3/2/1/204PR	74%	Granted

2. Listing of tenements acquired (directly or beneficially) during the quarter:

Location	Project	Tenement Type	Number	Interest	Status
Kalgoorlie Boulder, Western Australia	Menzies	Exploration Licence	E29/1052	100%	Application pending grant

3. Listing of tenements disposed of during the quarter:

Kalgoorlie Boulder, Western Australia	Lake Rebecca	Exploration Licence	E31/1172	100%	Application withdrawn
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ASX:MGU Announcements Released During the September 2018 Quarter

09/07/18	Update on the Phase 1 Trial Mining Campaign at Gravelotte
09/07/18	Update on the Phase 1 Trial Mining at Gravelotte (Amended)
31/07/18	Quarterly Activities and Cashflow Report
06/08/18	Appointment of Director
15/08/18	Magnum to Drill Tanami Gold-Copper Project, NT
30/08/18	Exploration Drilling Programme Commences at Tanami West, NT
07/09/18	New Telephone and Fax Numbers and Postal Address
12/09/18	First Pass Exploration Drilling Programme Completed at Tanami
13/09/18	Half Year Accounts
27/09/18	Shareholder Newsletter



A handwritten signature in black ink, which appears to read "G. Button".

GRANT BUTTON
Chief Executive Officer/Joint Company Secretary

Further information please contact:

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Competent Persons Statement

The information in this announcement that relates to Exploration Results and Mineral Resources complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr Howard Dawson, Non-Executive Director of Magnum Mining and Exploration Limited. Mr Dawson is a member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Dawson consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. The Exploration Results are based on standard industry practices for drilling, logging, sampling, assay methods including quality assurance and quality control measures as detailed in Annexures A and B.

THIS IS ANNEXURE A OF 5 PAGES

JORC CODE, 2012 EDITION – TABLE 1 REPORT FOR TANAMI WEST PROJECT

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></p> <p><i>In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>Air core drilling was used to collect 1 metre bulk samples via a cyclone mounted on the drill Rig. 1- 6 metre composite samples were collected from the 1 metre split samples by channel or grab sampling and were sent to Australian Laboratory Services, a reputable company with many laboratories operating worldwide. Analysis for Au was by fire assay using a 30 g charge. The multi element analysis was by mixed acid digest with HF and analysis by ICPAES. Ore grade samples are analysed by four acid digest and ICPAES finish.</p>
Drilling techniques	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i></p>	<p>Air Core drilling was conducted by a reputable contractor (Bullion Drilling). The very large majority of samples were dry.</p>
Drill sample recovery	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>Air Core sample recovery was good with consistent volumes achieved across each 1 metre interval. Only one hole had to be terminated due to water flow. There was no bias or differentiation caused through grain size.</p>
Logging	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i></p>	<p>All intervals were logged from a representative grab sample from the 1 metre samples. Due to the small size of these geological samples the logging is qualitative and visual estimates are therefore unreliable and laboratory analysis only will be reported. The logging included the noting of any mineralisation visually present.</p>

Criteria	JORC Code explanation	Commentary
	<i>The total length and percentage of the relevant intersections logged.</i>	
<i>Sub-sampling techniques and sample preparation</i>	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	Detailed previously
<i>Quality of assay data and laboratory tests</i>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i></p>	Australian Laboratory Services is a reputable company with many laboratories operating worldwide.
<i>Verification of sampling and assaying</i>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>This was a reconnaissance drill programme. Consequently, no holes were twinned.</p> <p>Data was collected on site by suitably trained personnel and entered into a digital file.</p>
<i>Location of data points</i>	<p><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <p><i>Specification of the grid system used.</i></p> <p><i>Quality and adequacy of topographic control.</i></p>	<p>Holes were surveyed by GPS with sub metre accuracy</p> <p>Drill coordinates and azimuths are GDA_94 MGA zone 54</p>
<i>Data spacing and distribution</i>	<p><i>Data spacing for reporting of Exploration Results.</i></p> <p><i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p>	Not applicable

Criteria	JORC Code explanation	Commentary
	<i>Whether sample compositing has been applied.</i>	
<i>Orientation of data in relation to geological structure</i>	<p><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></p> <p><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></p>	<p>Drill lines were orientated at 90 degrees to the regional geological strike. All holes were drilled vertical.</p>
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Reputable Labs and transport companies were used and field sampling was being carried out by trusted and experienced contractors.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	None necessary.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i>	The drilling was undertaken within EL30256 which is 100% owned by Ferdies Find Pty Ltd. A Native title site clearance was undertaken prior to the drilling programme. Conduct and Compensation Agreements are in place with the relevant landholders. The Abovementioned EPMs are secure and compliant with the Conditions of Grant. There are no known impediments to operate in the area.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Prior to the drilling by Magnum the only other company to work in the area was Ferdies Find Pty Ltd. Magnum have been provided with a copy of the work that company completed.
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	Targeted mineralisation is VMS Cu +/- Au.
<i>Drill hole Information</i>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	Individual hole results have not been reported.
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No composite results have been reported.

Criteria	JORC Code explanation	Commentary
<i>Relationship between mineralisation widths and intercept lengths</i>	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></p>	Drill holes have been drilled as close as possible to perpendicular to the regional geological strike.
<i>Diagrams</i>	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	The locations of the Tenement is shown in Figure 1 in the body of this document.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Not applicable
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	No other substantive data has been omitted in the context of this report. The extensive data is currently being reviewed and any material observations will be reported in due course.
<i>Further work</i>	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	Geophysics. Likely VTEM subject to availability and cost.

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

Magnum Mining and Exploration Limited

ABN

70 003 170 376

Quarter ended ("current quarter")

30 September 2018

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(220)	(555)
	(b) development		
	(c) production		
	(d) staff costs	(29)	(79)
	(e) administration and corporate costs	(81)	(241)
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 (provide details if material)	-	23
1.9	Net cash from / (used in) operating activities	(330)	(852)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(1)	(4)
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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 from 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	(1)	(4)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
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	-	(2)
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 (disposal of employee share plan shares)	-	580
3.10	Net cash from / (used in) financing activities	-	578

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	556	501
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(330)	(852)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	578
4.5	Effect of movement in exchange rates on cash held	-	2
4.6	Cash and cash equivalents at end of period	225	225

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	225	556
5.2 Call deposits		
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)	225	556

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**

43

Consulting fees paid to Wilberforce Pty Ltd, where Mr G Button is a director and consulting fees paid to HG & L Dawson Discretionary Trust, where Mr H Dawson is a trustee.

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**

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.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	50
9.2 Development	
9.3 Production	
9.4 Staff costs	30
9.5 Administration and corporate costs	40
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	120

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	E31/1172, Kalgoorlie Boulder, Western Australia	Application withdrawal	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E29/1052, Kalgoorlie Boulder, Western Australia	Application	0%	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:

Date: 31 October 2018

Print name: Grant Button
Company Secretary

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.