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GOLDEN CROSS RESOURCES LTD

ABN 65 063 075 178

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Hornsby NSW 2077
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30 October 2015

SEPTEMBER 2015 QUARTERLY ACTIVITIES & CASHFLOW REPORT

Key Points:

- **Metallurgical program commenced at Copper Hill copper-gold project**
- **PFS infill drilling program prepared for Copper Hill**
- **R&D refund and interim interest-free loans received**
- **Drill targeting programs to commence at Cargo copper-gold project**

CORPORATE

The raising of capital to fund a Pre-Feasibility Study (**PFS**) on a 2-3 million tonne per annum mining and processing operation at Copper Hill was the key focus of activities during the quarter. The Company explored a range of capital raising options. A fully funded proposal with a combination of a rights issue and placements was approved by the Board but placed on hold following the calling of an Extraordinary General Meeting (**EGM**) by Mr Ian Buchhorn, who nominated three additional non-executive directors to board.

Shareholders voted at the EGM held on 22 October 2015 to elect Neil Fearis, Robert Thomson and Mark Sykes as directors. The Board composition now complies with ASX guidelines in respect of having a majority of independent directors and has the complementary skills and experience to advance the Copper Hill Project and generate value for all shareholders.

On 23 September the Company announced the receipt $835,000. Funds consisted of an R&D refund of approximately $535,000 from the Australian Tax Office (ATO) and interim funding totalling $300,000 in the form of interest-free loans from Mr Ian Buchhorn and HQ Mining Resources Holding Pty Limited (**HQ Mining**). These funds are being used to commence a Pre-feasibility Study (PFS) metallurgical program.

Immediately following the EGM, the Company received a letter from HQ Mining on 22 October advising of its intention to make a takeover bid for the Company at $0.07 per share subject to certain conditions. The Board has advised shareholders to take no action until directors are able to ascertain whether HQ Mining intends to proceed with a formal takeover offer.

At the end of the quarter the Company's cash reserves totalled approximately $584,000 including $150,000 from the loans noted above. The remaining $150,000 of loan funds were received in early October.

The Company will be relocating to smaller offices in North Sydney to reduce costs and facilitate improved investor relations and industry.

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PROJECT DEVELOPMENT

Copper Hill Project

The Company is focused on optimising the key drivers to value as part of the Copper Hill Scoping Study. An essential component of the optimisation process is validating the copper and gold recoveries scheduled during the initial 9-12 year mine life. The Company has approved funding for additional metallurgical testwork to be performed on samples that will better reflect the ore types and grades processed during the early years of mine production. The programs as follows have commenced.

Metallurgical Testwork

Detailed geometallurgical analysis was completed during the quarter, aiming to identify specific Copper Hill mineralisation styles and to correlate these with previous metallurgical results. In particular, drill hole GCHD474, completed in 2014, was identified as hosting an attractive mineralisation style suitable for treatment by flotation, and is representative of the 0.4% copper cut-off grade resource.

The bulk samples for the metallurgical program were prepared during the quarter. Samples were maintained in refrigerated storage to minimize any ageing (oxidation) prior to commencement of the testwork.

Subsequent to the end of the reporting period, a “sighter” testwork program commenced at the Simulus metallurgical laboratories in Perth. The testwork, designed to improve flowsheet design, will be completed on five core samples totalling approximately 130 kg from GCHD 474. The samples have been despatched to the laboratory. The program involves;

- Grinding and floatation tests on mineralisation types typical of those expected during the initial 5-10 years of operation using the 2015 Scoping Study optimum pit. This will include initial sighter tests to determine the preferred process conditions followed by tests on all samples using these conditions.
- Assess the value of potential pre-concentration processes for upgrading lower grade ores. This will build on known mineral and physical characteristics and differentiators of the mineralisation and waste material and utilise existing mineral processing methodologies, albeit customised for the Copper Hill mineralisation. These processes include magnetic separation and differentiation on the basis of material densities and/or chemistry.

Results are anticipated to flow progressively during the remainder of the December quarter.

Drilling

A two-stage drilling program has been prepared which includes an initial two holes to confirm and extend the high grade mineralisation intersected in the 2014 drilling with a focus on the excellent results returned from holes GCHD 470 and GCHD 474. These holes are expected to improve the definition of the high grade mineralisation and provide key samples for the next stage metallurgical testwork.

The second stage of the program is conditional on proceeding with the PFS and involves infill drilling to enable the upgrade of the near surface high grade resources within the optimised pit to at least Indicated Mineral Resource status as well as testing extensions to the identified high grade mineralisation. This program is expected to involve approximately 3,000 metres of diamond core drilling and will provide samples for the PFS metallurgical testwork and key geotechnical data for the PFS mining studies.

In addition, field activities during the quarter were restricted to essential drill-site rehabilitation works due to the limited funds prior to receipt of the R&D refund. Office-based programs were rationalised to minimise costs and focus on planning activities for the PFS.

Forward Plan and Budget

The Company has developed a forward work plan for the completion of a PFS to support a 2Mtpa to 3Mtpa development at Copper Hill. This program includes infill drilling, metallurgical testwork, mining and closure studies, hydrological evaluation, processing studies, baseline

environmental programs, infrastructure requirements, product transport and realisation components, PFS-level engineering, determining other project development components necessary such as environmental approvals and mining lease applications and development of a preliminary project timeline for development should the PFS confirm a potentially viable development. This PFS is expected to be completed 9 to 12 months from securing funding.

Regional Exploration Potential

The Ordovician-aged Macquarie Arc consists of several volcanic belts which host the world-class porphyry copper-gold deposits currently being mined at Cadia (Newcrest), Northparkes (China Molybdenum) and Cowal (Evolution). The Molong Volcanic Belt hosts significant porphyry gold-copper deposits at Cadia Quarry, Cadia East, Ridgeway (Newcrest), Cargo **(GCR)** and Copper Hill **(GCR)**, and skarn gold ± copper deposits at Browns Creek and Junction Reefs, as shown in Figure 1.

Porphyry copper-gold deposits of the Copper Hill area occur within the corridor formed by the WNW trending Lachlan Transverse Zone (LTZ). Accordingly, GCR tenements within this strongly mineralised area are regarded as highly prospective for copper-gold.

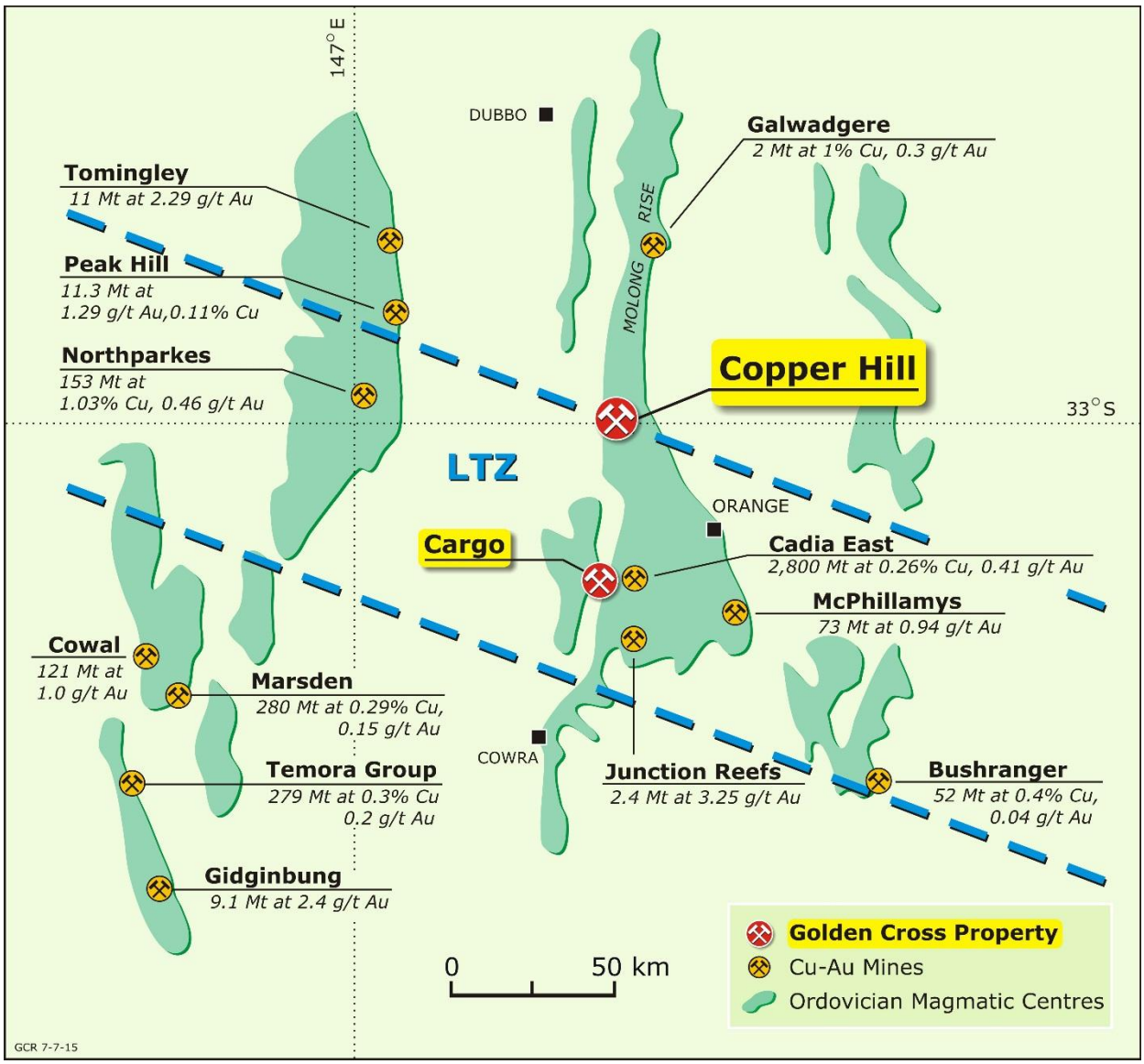

Figure 1: Regional setting of Copper Hill

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Copper-gold mineralisation at Copper Hill is hosted in a Crowded Tonalite Porphyry wall-rock. Two distinct styles of wall-rock mineralisation are recognised, associated with multiple porphyry intrusive phases and alteration zonations typical of porphyry systems.

1 The earliest mineralised phase is related to sericite-pyrite-quartz "phyllic" alteration and has a distinctive geochemical association, peripheral to source porphyry intrusive, hosting chalcopyrite mineralisation with a molybdenum-rhenium-zinc association.

2 The later stage overprinting mineralisation has distinctive and intense quartz (-magnetite) "potassic" alteration zonation and sheeted veins, being close to the source porphyry intrusive, and hosting chalcopyrite-bornite mineralisation with associated high gold.

The parent porphyry intrusive responsible for the later stage high-grade "potassic" wall-rock gold-copper mineralisation is interpreted to be younger and deeper and yet to be intersected in drill holes and provides discovery potential at depth below Copper Hill and Wattle Hill for high grade pipes-style deposits similar to those being mined at Ridgeway and Northparkes.

Copper Hill is located in a 5 kilometre long strike trend extending from Little Copper Hill in the north to Vale Head in the south. GCR is currently focused on a PFS on the centrally located higher grade core of Copper Hill. Limited previous drilling at other prospects in the trend suggests potential for further discovery of economic mineralisation outside of the main Copper Hill zone, and options to refine these targets continue to be assessed.

OTHER PROJECTS

A complete list of current projects is included in the Mineral Tenements Table at the end of this report.

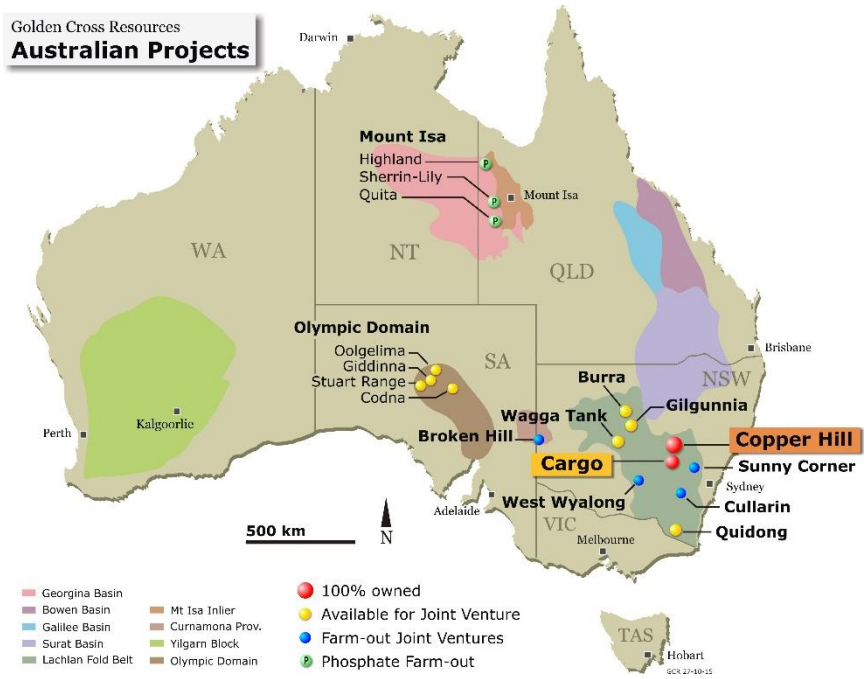

Figure 2: Golden Cross Projects Status Map

GCR has a portfolio of projects diversified by commodity and location in the following geological provinces, with prospectivity demonstrated by regional operating mines and significant deposits:

- Central NSW Porphyry Province Copper/Gold – Copper Hill and Cargo
- South Australian Gawler Craton Iron Oxide Copper Gold (IOCG)
- Cobar Region NSW – Basemetals / Gold
- South-eastern NSW – Zinc / Gold
- Northwest Queensland – Phosphate / Uranium

With the current focus on Copper Hill the remaining projects are being progressed via earn-in joint ventures, with several projects available for farm-in as shown in Figure 1.

Cargo

GCR 100%

The Cargo Project is 12 kilometres west of the Cadia Valley gold-copper mining operations of Newcrest Ltd, in a similar geological setting.

Gold

Resources have previously been reported for the Spur-Dalcoath lode system to JORC 2004 compliance (refer GCR ASX 21 May 2012). Drill targets are being developed to test the potential for further near-surface resources on the remaining 14 identified quartz-sulphide lode systems.

Copper

Previous drilling of the central porphyry in 2008 returned long low-grade copper intercepts to a depth of approximately 300 metres (Figure 3 & 4). Geological consultants and world-recognized porphyry experts Corbett, Menzies and Cunliffe (CMC) have proposed a study of mineralogical associations typical of porphyry systems and integration of all data to produce a 3D geological model that will provide vectors to deeper porphyry copper targets with improved grades. Specifically, during a core re-logging program by Golden Cross, potassic-style actinolite alteration was defined within a new target area, which is an accepted vector towards Ridgeway-style high grade copper-gold pipes.

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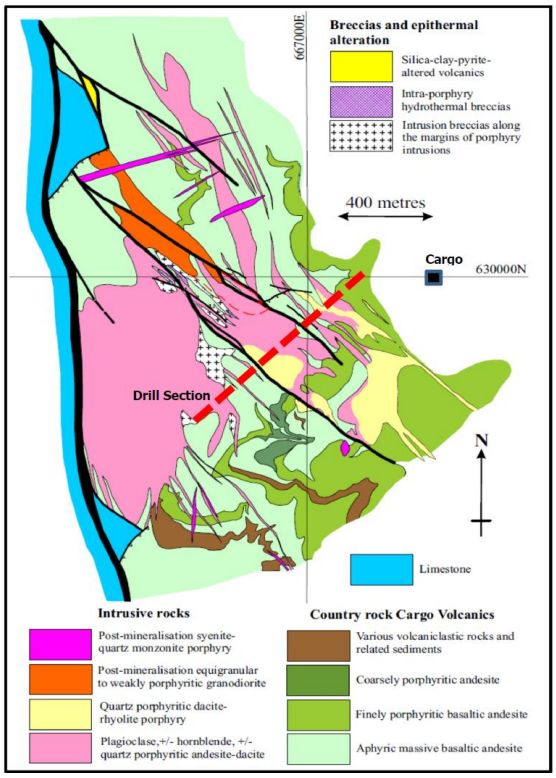

Figure 3: Cargo Geology (after Calibre 2008)

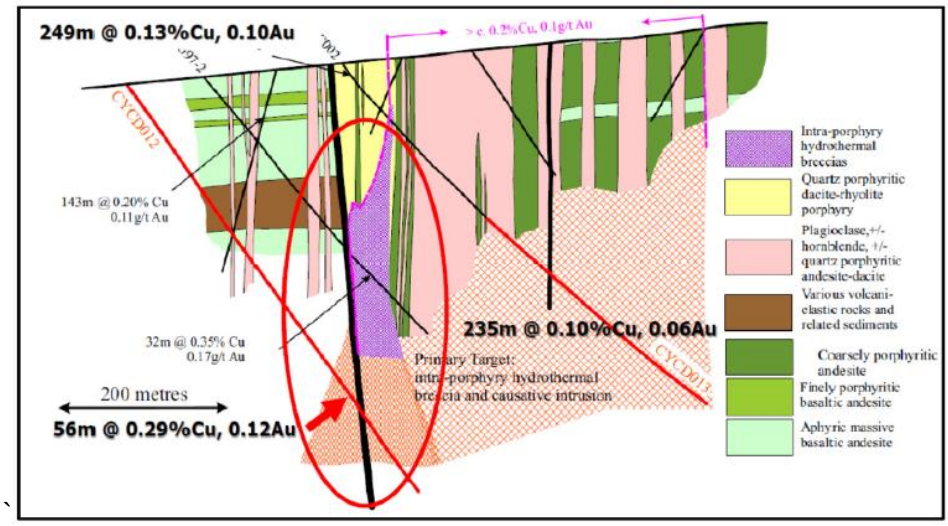

Figure 4: Section CYC12 & 13

This work is planned to commence in the December quarter.

Subsequent to the reporting period the Company approved exploration programs totalling $35,000 for the Cargo project in the December 2015 quarter. This work includes infill gravity data and detailed re-logging of existing drill core by CMC to enable the establishment of a detailed geological model for the current mineralisation and targeting vectors for future exploration drilling.

South Australia Iron Ore Copper-Gold (IOCG)

GCR 100% - Available for farm-in joint venture

In South Australia several magnetic / gravity targets have been identified by GCR geophysicists. Three have been prioritised for drilling in 2015 after encouraging results from the 2013 drill program. The targets are located at the north-western end of the interpreted structural corridor that contains significant copper-gold deposits at Carrapateena, Olympic Dam, Prominent Hill and Cairn Hill. Figure 5 & 6.

The South Australian Government has approved a drilling subsidy of up to $60,000 for drilling of the three holes. Planning and approval processes are underway for the next stage of drilling.

In addition to farm-in, consideration is being given to a spin-out of these assets.

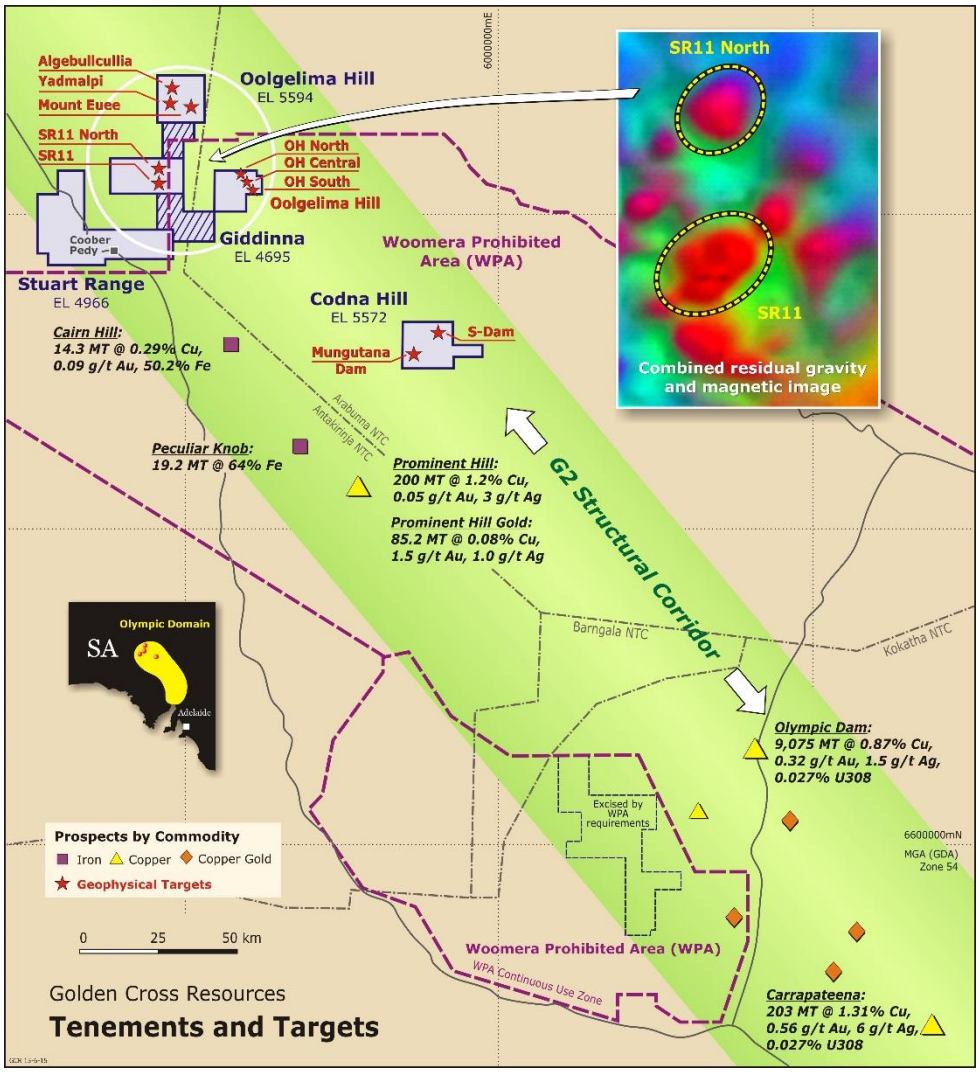

Figure 5: Gawler Craton Project Area Location

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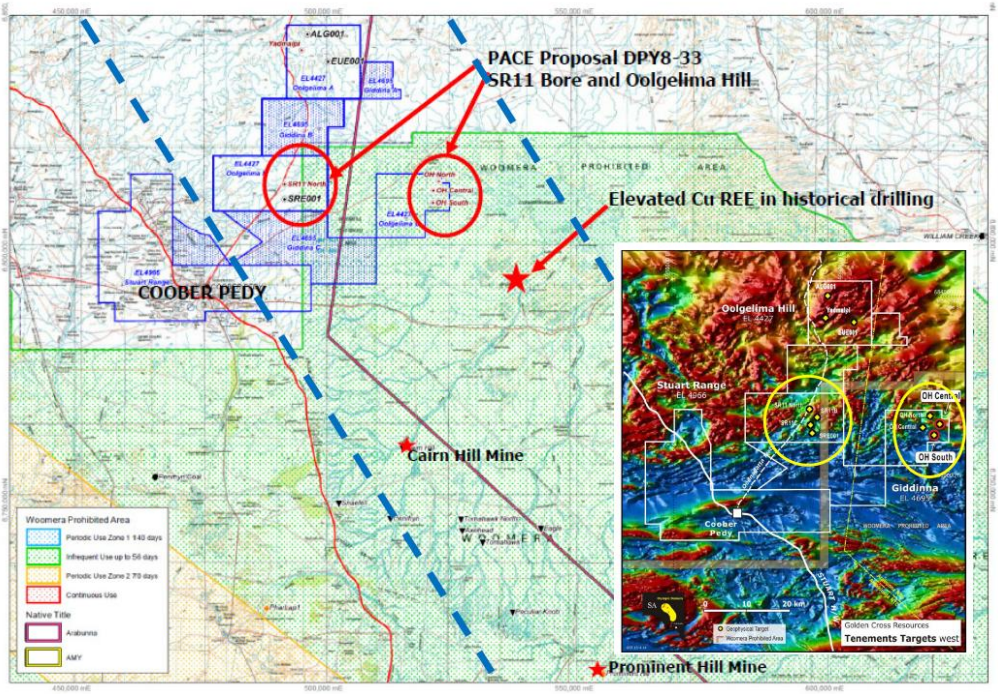

Figure 6: SA Projects, Target Locations, & PACE Proposals (inset shows targets on magnetic image)

Cobar Region

Canbelego & Gilgunnia Group 100% - available for farm-in joint venture

The Cobar region is well endowed with long life, high grade polymetallic deposits supporting long life mining operations. GCR has three groups of tenements in the region (Figure 7):

- **Canbelego Grou**p – along strike from Mt Boppy Goldmine

  Mt Boppy Gold Royalty

  GCR has a 3% royalty on gold produced from the Boppy Goldmine. Black Oak Minerals Ltd (BOK) re-commenced mining at Mt Boppy in September 2015 after previously producing gold in 2002-2005, for which GCR received progressive payments totalling 750 ounces gold. . New production of 65,000 oz. gold is planned over 18 months (BOK ASX 29 September 2015) and the GCR royalty is expected to restart after approximately 20,000 ounces have been produced.

- **Gilgunnia Group** – along strike from Hera Gold-Basemetal Mine and surrounds the Mallee Bull high grade copper discovery

- **Wagga Tank Group**
  GCR 20%; MMG Ltd 80%
  Wagga Tank is also located in the favourable interpreted Wagga Tank Nymagee structural corridor that encloses other deposits in the region. MMG has received an offer to acquire the project.

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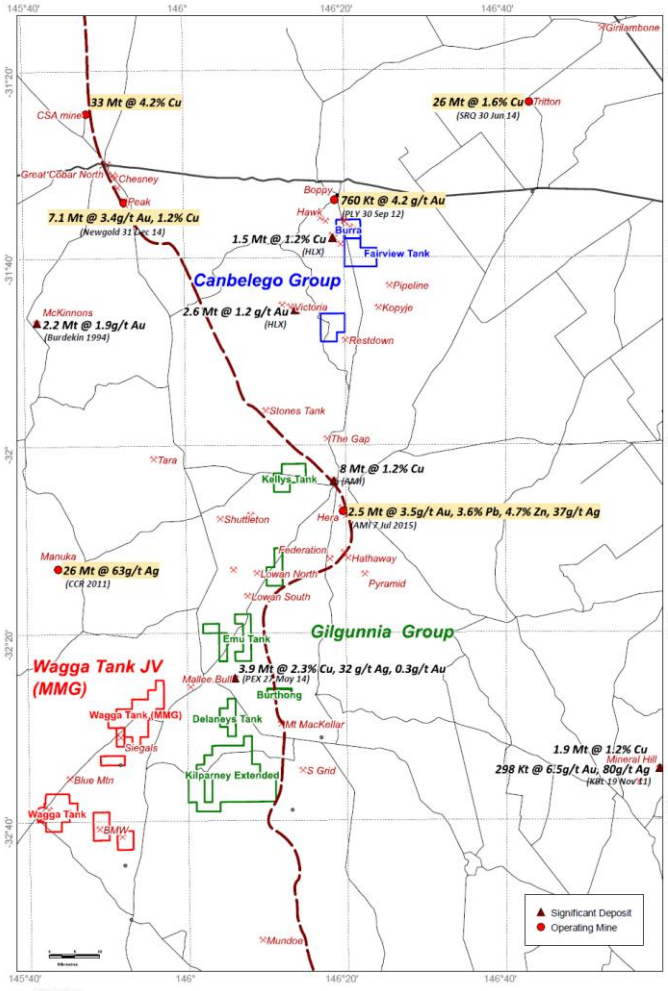

Figure 7: Cobar Region Deposits showing Golden Cross Tenements

Southeast Lachlan

Silurian formations prospective for volcanic hosted massive sulphide deposits (VHMS) extend over 300km from Lewis Ponds in the north through Woodlawn and Captains Flat and into eastern Victoria. GCR has two projects in this region:-

Quidong

GCR 100% - available for farm-in joint venture

Quidong has extensive occurrences of carbonate-hosted zinc/lead, gold mineralisation. Previous data and GCR field reconnaissance have identified high grade zinc-lead-gold drill targets which remain to be tested.

Cullarin

GCR 21.1% JV with Heron Resources Ltd .

No activity reported by JV partner.

Joint Ventures

Broken Hill

JV1: Base metals & Precious metals: GCR 100% Silver City earning 51%
JV2: Ultramafic Hosted Platinum and Nickel: GCR 13%, Impact Minerals (Impact) 87%

During the June Quarter Impact commenced a drill program of 6 holes at the Red Hill Prospect area. GCR received an offer from Impact to purchase EL7390 to reduce the ownership complexities associated with two joint ventures stratified by commodity which was accepted.

West Wyalong

Argent Minerals Ltd 51%, GCR 49%

Argent Minerals Ltd completed a detailed IP survey over the Narragudgil area within EL8001 (ARD ASX 15 Sep 2015). Extensions to the IP are being considered ahead of possible drilling of the main copper-gold porphyry target.

Other

No activity was advised by joint venture partners at Cullarin (Southeast Lachlan), Wagga Tank (Cobar Region), or at Queensland Phosphate (Isa Region).

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INTERESTS IN MINERAL TENEMENTS (As at 30 September 2015)

LOCATION	TENEMENT NAME	TENEMENT	km²	HOLDER (2)	% HOLDING	JOINT VENTURE/NOTES
NEW SOUTH WALES						
Broken Hill	Broken Hill JV1, JV2	EL 7390	69	GCO	100 & 13	SCI & IPT (3)
Cargo	Cargo	EL 5238	46	GCO	100	
COBAR REGION						
Canbelego Group	Burra	EL 7389	15	GCO	100	
	Fairview Tank	EL 7065	52	GCO	100	
Gilgunnia Group	Emu Tank	EL 7320	46	GCO	100	
	Kelly's Tank	EL 7323	69	GCO	100	
	Kilparney Extended	EL 8270	152	GCO	100	
	Delaney's Tank	EL 7322	17	GCO	100	
	Burthong Creek	EL 7389	9	GCO	100	
	Four Mile South	EL 7970	3	GCO	100	
Wagga Tank JV	Wagga Tank	EL 6695	54	GCO	20	MMG (4)
	Wynwood	EL 7226	60	MMG	20	MMG (4)
Molong	Copper Hill	EL 6391	95	GCO	100	
Southeast Lachlan	Cullarin JV	EL 7954	146	TRO	78.8	TRO (6)
	Quidong	EL 7989	98	GCO	100	
Sunny Corner JV	Sunny Corner	EL 5964	109	GCO	49	ARD (6)
West Wyalong JV	West Wyalong	EL 5915	43	GCO	49	ARD (7)
	Narragudgil JV	EL 8001	69	GCO	49	ARD (7)
QUEENSLAND						
Mount Isa JV	Quita Creek	EPM 14905	276	KER	20	PPO (8)
	Highland Plains	EPM 14906	300	KER	20	PPO (8)
	Lily & Sherrin Creek	EPM 14912	300	KER	20	PPO (8)
SOUTH AUSTRALIA						
Coober Pedy	Oolgelima Hill	EL 4427	626	GCR	100	
	Giddinna	EL 4695	284	GCR	100	
	Stuart Range	EL 4966	576	GCR	100	
	Codna Hill	EL 4431	281	GCR	100	
PANAMA	El Cope	2007-95	98	GCRP	90	Application; MTI (9)

Notes

(1) E/EL/ELA = Exploration Permit/Licence/Application; EPM = Exploration Permit for Metals

(2) Full names for abbreviations are as follows:

ARD	Argent Minerals Limited (ASX: ARD)	MTI	MapIntec Technologies Inc.
GCO	Golden Cross Operations Pty Ltd, a wholly owned subsidiary of GCR	PPO	Paradise Phosphate Limited , a subsidiary of Legend International Holdings (OTC: LGDI)
GCRP	GCR Panama, Inc, a wholly owned subsidiary of GCR		
IPT	Impact Minerals Limited (ASX: IPT),	SCI	Silver City Minerals Limited (ASX: SCI)
KER	King Eagle Resources Pty Limited, a wholly owned subsidiary of GCR	TRO	TriAusMin Minerals Limited, a wholly-owned subsidiary of Heron Resources Limited (ASX: HRR)
MMG	Minerals and Metals Group Australia, a wholly owned subsidiary of MMG Limited (listed on the Hong Kong Stock Exchange)		

(3) Silver City Minerals Ltd can earn a 51% interest in gold, silver and base metals, (but excluding nickel and platinum group metals) by spending $600,000 by 8 October 2016. To earn 80%, SCI must spend another $500,000 on exploration and development activities in the subsequent two years to 8 October 2017. Impact Minerals Ltd earned 80% interest in nickel and platinum group metals. Further expenditure by IPT increased its interest to 87% and diluted GCR interest to 13%.

(4) Minerals and Metals Group Australia spent $550,000 by 6 February 2011 to earn 80% interest in the Wagga Tank Joint Venture over EL 6695 and EL 7226. GCO declined an offer to resume management.

(5) TriAusMin earned an initial 62.5% interest by spending $200,000 to 13 September 2010. Further expenditure by TRO of $170,000 to July 2014 increased TRO's interest to 78.9% and diluted GCO's interest to 21.1%.

(6) Argent Minerals earned 51% in the Sunny Corner Joint Venture by spending $500,000 by 1 June 2011 in Stage 1. It earned 70% by additional expenditure of $186,000 (for a total expenditure of $686,000) by July 2013.

(7) Argent Minerals earned 51% in the West Wyalong Joint Venture by spending $750,000 by 1 June 2011. ARD may earn a further 19% to total 70% by additional expenditure of $550,000 (for a total expenditure of $1,300,000) by January 2016. Royal Gold Inc. holds a 2.5% net smelter return.

(8) Paradise Phosphate Limited (as assignee from Legend International Holdings Inc.) earned its 80% interest (in phosphate minerals only) by spending $3,000,000 by 7 December 2012, leaving KER with 20% interest. GCR has 100% rights to all other minerals and is free carried to a decision to mine for phosphate.

(9) MapIntec Technologies Inc., a Panamanian company, has a 10% interest free carried to a decision to mine.

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COMPLIANCE STATEMENTS

Previously Released Information

This ASX announcement contains information extracted from the following reports which are available for viewing on the Company's website www.goldencross.com.au:

- *5 March 2015: Copper Hill Update*
- *24 March 2015: Copper Hill Resource Estimate*
- *15 April 2015: Copper Hill Scoping Study*
- *27 April 2015: Quarterly Activities and Cashflow Report*
- *3 June 2015: Appendix 3B*
- *22 July 2015: Investor Presentation*
- *31 July 2015: Quarterly Activities and Cashflow Report*
- *10 August 2015: Change of Company Secretary*
- *10 August 2015: R & D Refund Approved*
- *14 September 2015: Trading Halt*
- *16 September 2015: Suspension from Official Quotation*
- *16 September 2015: Notice of General Meeting/Proxy Form*
- *21 September 2015: Extension Request*
- *23 September 2015: R & D refund received & Interim Funding finalised*
- *23 September 2015: Reinstatement to Official Quotation*
- *30 September 2015: Full Year Statutory Accounts*

*The **Production Target and the Mineral Resources** on which it is based are extracted from reports released to the market by GCR on 24 March 2015 and 15 April 2015. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the production target in the report dated 15 April 2015 continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.*

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

***Compliance Statement**: The information in this report that relates to Exploration Results is based on information compiled by Mr. Kenneth Hellsten, who is a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Hellsten is an employee of Golden Cross Resources Limited, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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. Hellsten consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

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Corporate Directory

Board of Directors

Jingmin Qian	Interim Chairman
Ken Hellsten	Interim CEO
Ian Buchhorn	Non-Executive Director
Xiaoming Li	Non-Executive Director
Yuanheng Wang	Non-Executive Director
Yan Li	Alternate Director for Mr Xiaoming Li.

As at 22 October 2015

Neil Fearis	Non-Executive Director
Mark Sykes	Non-Executive Director
Robert Thomson	Non-Executive Director

Exploration Manager
Bret Ferris

Issued Share Capital
Golden Cross Resources Ltd has 100,589,693 ordinary shares on issue (27 April 2015), listed on the ASX.

Share Registry
Boardroom Pty Limited
Level 7
207 Kent Street
Sydney NSW 2000

Phone (61 2) 9290 9600
Fax (61 2) 9279 0664

Registered Office
Golden Cross Resources Ltd
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Hornsby NSW 2077
Australia.

Phone: (61 2) 9472 3500
Fax: (61 2) 9482 8488
www.goldencross.com.au

Please direct shareholding enquiries to the Share Registry.

About Golden Cross Resources Ltd

Golden Cross Resources (ASX:GCR) is a mineral explorer with a copper-gold focus. Development focus is the Copper Hill Copper-Gold Project. GCR has many high quality projects across Australia as well as prospective joint ventures funded and managed by GCR's partners. At 30 June 2015, GCR held $0.438 million in cash

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/1996. Origin: Appendix 8. Amended 1/7/1997, 1/7/1998, 30/9/2001, 1/6/2010, 17/12/2010, 1/5/2013

Name of entity

GOLDEN CROSS RESOURCES LTD

ACN or ARBN	Quarter ended ("current quarter")
ABN 65 063 075 178	**30th September 2015**

Consolidated statement of cash flows

			Current quarter $A'000	Year to date (3 months) $A'000
Cash flows related to operating activities				
1.1	Receipts from product sales and related debtors		-	-
1.2	Payments for	(a) exploration and evaluation	(180)	(180)
		(b) development	-	-
		(c) production	-	-
		(d) administration	(364)	(364)
1.3	Dividends received			-
1.4	Interest and other items of a similar nature received		4	4
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other (Research and Development rebate)		535	535
	Net Operating Cash Flows		(5)	(5)
	Cash flows related to investing activities			
1.8	Payment for purchases of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
		(d) land and buildings	-	-
1.9	Proceeds from sale of:	(a) prospects	-	-
		(b) equity investments	-	-
		(c) other fixed assets	-	-
1.10	Loans to other entities		-	-
1.11	Loans repaid by other entities		1	1
1.12	Other – (payment) refund of security deposits		-	-

+ See chapter 19 for defined terms.

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	Net investing cash flows	1	1
1.13	Total operating and investing cash flows (carried forward)	(4)	(4)

1.13	Total operating and investing cash flows (brought forward)	(4)	(4)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	150	150
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (cost of share issue)	-	-
	Net financing cash flows	150	150
	Net increase (decrease) in cash held	146	146
1.20	Cash at beginning of quarter/year to date	438	438
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	584	584

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	31
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payment of directors' salaries and entitlements, director's fees..

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

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Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	220
4.2	Development	-
4.3	Production	-
4.4	Administration	380
	Total	600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	184	38
5.2	Deposits at call	400	200
5.3	Bank overdraft	-	-
5.4	Other (Short Term Deposits) (<120 days)	-	200
	Total: cash at end of quarter (item 1.22)	584	438

Changes in interests in mining tenements and petroleum tenements

Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter

+ See chapter 19 for defined terms.

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6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Rast EL6878 Rast North EL6879	Expired Expired	100% 100%	0% 0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	101,078,493	101,078,493	Various	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	500,000	500,000		

+ See chapter 19 for defined terms.

7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

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

Name: Carl Hoyer, Company Secretary Date: 29 October 2015

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.

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