



Altech Chemicals
Limited

QUARTERLY REPORT

December 2014

Name change to Altech Chemicals Ltd

- The Company's name was officially changed to Altech Chemicals Ltd on 10 November, 2014
- New ASX ticker code: ATC
- New website: www.altechchemicals.com

Altech selects Johor Bahru (Malaysia) for HPA plant site

- HPA processing plant will be based in Johor Bahru (Malaysia)
- Estimated opex ~40% lower compared to Australian-based operation
- Capex for HPA plant estimated at ~50-60% lower
- Letter of Intent (LOI) to reserve lot in Johor Bahru's Tanjung Langsat Industrial Park
- Local environmental consultant appointed to assist with project approvals

BFS optimisation of HPA plant output

- Altech's Bankable Feasibility Study (BFS) confirmed an optimised annual production rate for the proposed HPA plant
- Plant annual production rate increased to 4,000tpa

Altech optimises Meckering beneficiation process

- Wet processing selected for beneficiation of the Meckering aluminous clay deposit
- Significant benefits include:
 - Superior alumina recovery
 - Lower capital and operating costs
 - Improvements in concentrate alumina grades

Altech receives \$0.46m R&D tax refund

- R&D Tax Incentive refund of A\$0.46 million for costs of R&D activities during 2013/2014 financial year

Annual General Meeting

- AGM held on 5 November, 2014
- Results of meeting in favour of all resolutions including proposed name change to Altech Chemicals Ltd

Non-renounceable pro-rata Entitlement Offer

- One (1) new share at \$0.10 for every four (4) shares held, with a free attaching listed option (exercise price \$0.10, expiring of 15 Dec 2015) closed 19 December, 2014
- In total, Entitlement Offer raised \$402,774

Breakaway Research 'Initial Coverage' Report

- Mid-point valuation of \$0.25/share by Breakaway Research
- Based on 7.5% of the full project value as the project is in the early stages
- Valuation ranged from US\$260m - US\$360m

Mineral sands joint venture finalised

- JV agreement finalised with Midas Engineering Group (formerly METS) for project co-operation at the South West Titanium Project (formerly Glenarty Creek mineral sands project)

Name change to Altech Chemicals Ltd

Following approval of the Company's proposed name change to Altech Chemicals Limited at the 2014 annual general meeting (AGM) held on 5 November 2014, the Company's new name took effect from Monday, 10 November 2014.

The Company's Australian Securities Exchange (ASX) codes were amended from "AKA" and "AKAO" to "ATC" and "ATCO".

The Company's new website address:
www.altechchemicals.com was also activated.

Other Company information, such as registered office address, contact details, share registry, directors and senior management, remain unchanged.

Design process updated for HPA plant

During the quarter the Company's high purity alumina (HPA) process design was further refined to incorporate its focus on becoming a dominant producer of HPA.

The philosophy adopted for the design of the HPA process flowsheet is to "minimise technological risk"; consequently the flowsheet is being designed to incorporate proven "off-the-shelf" equipment already successfully used in the chemical industry, such as conventional leaching technology and standard rotary kilns. The application of this philosophy will provide opportunities for the Company to further optimise the flowsheet and to incorporate efficiencies into the HPA process design, as well as potentially delivering savings on capital, and reducing operating costs.

Altech's proposed HPA process flowsheet has always considered operability as a key factor, however the Company's ultimate focus is on efficiently and consistently producing HPA at the specification required – 99.99% (4N) Al_2O_3 .

The Company has already lodged patent applications for its HPA process design. The patents cover the Company's HPA process design to produce 4N HPA using the unique low-impurity Meckering aluminous clay as feedstock. As the Company's HPA process design is optimised and further refined, updates to the existing patent applications will be lodged.



Proposed branding for future Altech



Processing Technology

The Company's HPA process is founded on a hydrochloric acid leach (HCL), with effective acid recovery and recycling. The main advantage of this process is the simple recovery of acid, which will be re-used at the front-end of the process, thereby improving acid utilisation and constraining operating costs. The HCL process is a conventional, proven and robust chemical process that has been in use since the early 1980's. The process is being tailored to the Company's aluminous clay material for the production of very high purity alumina. The Company's raw aluminous clay material contains very low levels of impurities, which facilitates the production of a very pure alumina product, offering the Company a competitive advantage amongst global HPA suppliers.



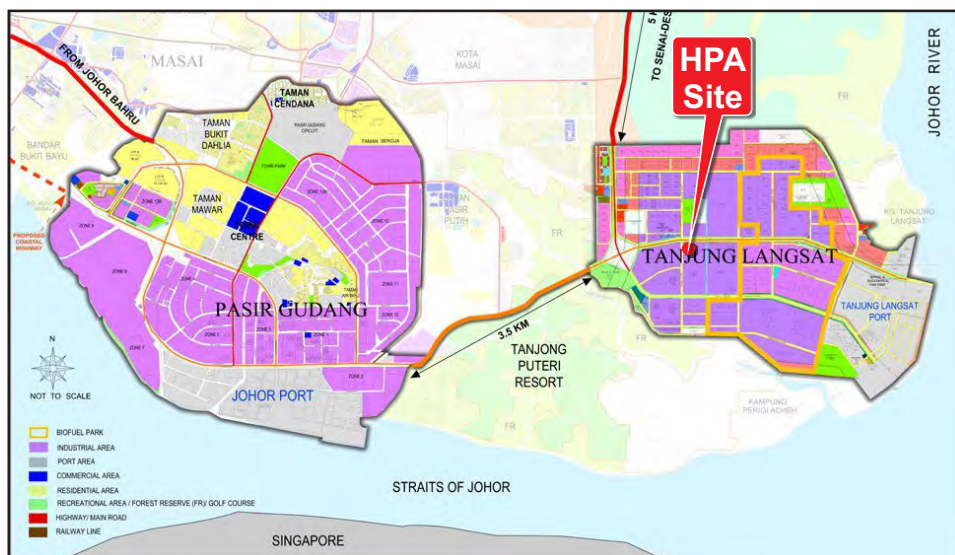
Altech selects Johor Bahru (Malaysia) for HPA plant site

During the quarter the Company selected the Tanjung Langsat Industrial Park in Johor Bahru (JB), the capital city of Johor state, Malaysia, as the preferred location for its proposed high purity alumina (HPA) processing plant.

After investigating potential site locations within the south-east Asia Pacific region, a number of candidates for the HPA processing plant site were identified and considered, including Kwinana, Western Australia.

The final selection of JB as the preferred location for the proposed HPA plant was based on significant economic and developmental benefits of JB's Tanjung Langsat Industrial Park. Altech's proposed HPA operation will be supported by the ready availability of required consumables such as hydrochloric acid, power and natural gas – all at highly competitive prices. Other advantages included the availability of skilled labour, proximity to an international container port and international airport (Singapore), as well as various investment and tax incentives on offer.

Further, operating costs for the proposed HPA plant located in Malaysia were estimated to be in the region of 40% lower compared to an equivalent plant operated in Western Australia. In addition, the shipping of the Company's final HPA product from the Tanjung Langsat international sea container port to nearby Asian markets would provide both cost and delivery time advantages.



Preliminary engineering studies estimated that capital costs associated with the construction of a HPA plant at Tanjung Langsat would likely result in being 50-60% lower, compared to Australia. Overall, Altech anticipates its proposed HPA plant to be in the bottom quartile of the operating cost curve for the world's HPA producers.

Altech's proposed HPA processing operation has the potential to enhance the Malaysian region's HPA value-add chain, as sapphire glass producers such as Rubicon Technology, as well as other high-tech electronics producers, currently operate facilities in Malaysia and could potentially purchase Altech's HPA for their products. About 70% of HPA demand is in the Asia-Pacific region, with strong demand for HPA from sectors such as LEDs, semiconductors, phosphor-based products and more.

Letter of Intent (LOI)

In November 2014, the Company submitted a Letter of Intent (LOI) to TPM Technopark Sdn Bhd, a subsidiary of Johor Corporation, for the reservation of land in the Tanjung Langsat Industrial Park (refer to map above) in an area designated for chemical operations. The Company's preferred lot was selected due to its proximity to hydrochloric acid, sulphuric acid and quicklime plants – all required consumables for the Company's proposed HPA plant. Reticulated natural gas, high voltage power and access to processing water are also readily available; major roads, container ports and international airports are within close proximity.





BFS optimisation of HPA plant output

Engineering investigations undertaken as part of the Company's Bankable Feasibility Study (BFS) established an optimised plant production rate of 4,000 tonne per annum (tpa) for Altech's proposed high purity alumina (HPA) processing operation.

The revised annual production rate means further positive economies of scale and improvements to efficiencies. It is also anticipated that operating costs per kilogram of final product (99.99% 4N HPA) will be significantly reduced.

The proposed HPA production rate of 4,000tpa could potentially position the Company as a significant global producer of HPA considering the current market size and forecast growth. The global HPA market was estimated at 19,040tpa in 2014, with the HPA market, driven by growing demand for sapphire glass in the LED lighting and electronics industries, expected to more than double in size to 48,230tpa by 2018, an annual growth rate of approximately 28%, according to Technavio Research.

Altech believes that based on the forecast growth in global HPA demand, there will be sufficient HPA required for the development of a 4,000tpa HPA production plant by 2018. It will represent approximately 8% of the global HPA requirement forecast by 2018.

Altech optimises beneficiation process for its Meckering deposit

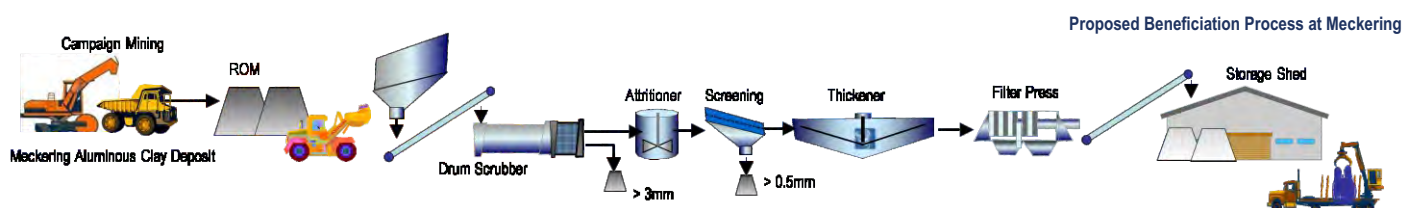
Subsequent to quarter end, Altech announced the optimisation of the proposed beneficiation process for its Meckering aluminous clay (kaolin) deposit as part of its Bankable Feasibility Study (BFS). The results of the optimisation program confirmed the significant benefits of wet processing. Dry processing was previously contemplated, which involved the initial dry crushing, drying and screening of the material.

The selection of wet processing was based on recent test work conducted by Simulus Engineers and Simulus Laboratories in Perth, Australia. The test work successfully demonstrated that Altech's Meckering aluminous clay readily slurries in a water attritioner without the need for dry crushing and drying, prior to screening. In addition, superior recoveries of alumina were observed for the wet process, along with a higher finished concentrate grade, and consequently superior alumina yield.

Removing the dry crushing, drying and screening stages from the Meckering flowsheet resulted in lower capital and operating cost estimates; a more efficient and simplified process, with reduced dust levels associated with the beneficiation.

The aluminous clay concentrate (approximately 25,000tpa) will be used as feedstock for the Company's proposed HPA processing plant in Johor Bahru, Malaysia. Following beneficiation at Meckering the concentrate will be filter-pressed and bagged into 2 tonne bulka bags (see process schematic below) for shipment from Fremantle port in Western Australia to Tanjung Langsat, Johor Bahru, Malaysia.

The aluminous clay concentrate (kaolin) is benign in nature and contains no deleterious elements. Although commonly used as a filler for coating product in the paper and ceramics industries, as well as a critical ingredient for plastic, rubber, paint and cosmetics applications, the unique properties of the Meckering deposit, rich in alumina with low levels of iron and sodium, make it the ideal feedstock for cost effective processing to 99.99% (4N) HPA.



Singapore and Sydney Capital Showcase

During the quarter Altech managing director Mr Iggy Tan presented at the Singapore and Sydney Capital Expos held by international investment platform Wholesale Investor.

At both events, Mr Tan discussed Altech's outlook and objectives for 2015 and beyond.



Appointment of CFO/Company Secretary

During the quarter the Company appointed Mr Shane Volk as chief financial officer (CFO) and company secretary, effective 12 November, 2014.

Mr Shane Volk's extensive accounting and corporate governance experience in Australian and international mining operations is a critical requirement to support the Company's objectives.

Mr Volk is a qualified Chartered Secretary and has a Bachelor of Business (Accounting) from the Royal Melbourne Institute of Technology.

Mr Volk replaced the Company's previous CFO/company secretary Mr Piers Liews, who stepped down from his position due to work commitments. Altech chairman, Mr Luke Atkins thanked Mr Lewis for his significant contribution to the Company over the last three and a half years via his corporate financial services firm.



Altech's company secretary/CFO
Mr Shane Volk



In the media

Breakaway Research

During the quarter a research report covering Altech was published by Breakaway Research. The report provided an evaluation of the Company, which indicated a mid-point valuation of \$0.25/share.

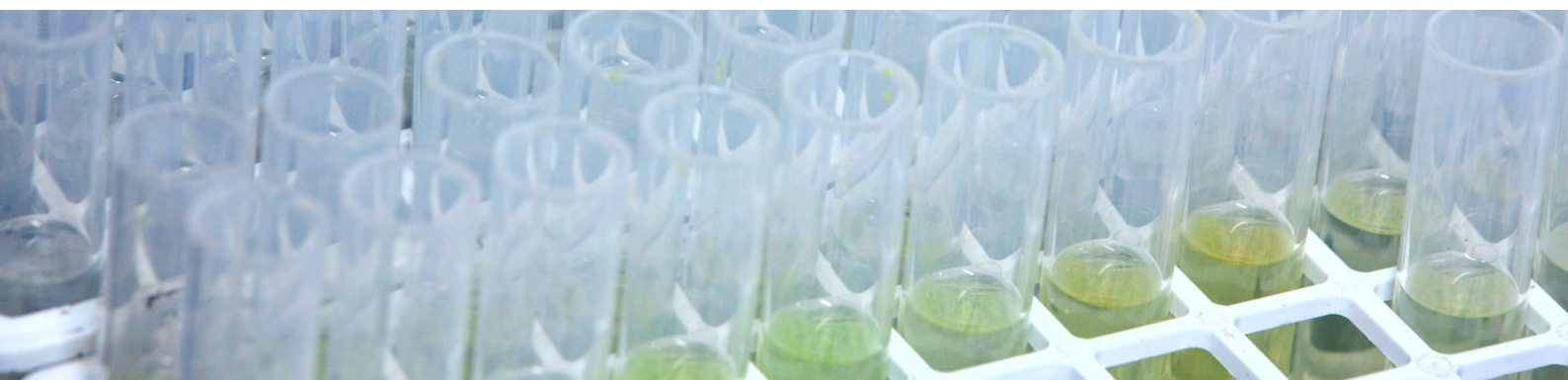
The valuation was based on only 7.5% of the full project value due to the early-stage nature of Altech's project.

Based on an average product price of US\$20/kg for 99.99% (4N) high purity alumina (HPA), with Altech's reported estimated operating costs at approximately US\$8/kg, the EV/EBITDA evaluation result was US\$360m. Additionally, Breakaway used the Discounted Cash Flow (DCF) valuation method to arrive at US\$260m evaluation. For 7.5% of the full project value Breakaway's evaluation ranged from US\$260m-\$360m.

The Next Tech Stock

Altech featured in the media promotion launched by the Next Tech Stock, which publishes and promotes its independent research and commentary of its investments in junior technology stocks via several online platforms.

The Next Tech Stock's research report/commentary on Altech "ASX company to supply to worlds smartphone markers?" was launched on 13 November 2014. Subsequently, "ATC Hurling towards production of smartphone ingredients" was launched on 12 December 2014.



Corporate Activities

Altech receives \$0.46m R&D tax refund

During the quarter the Company received a research and development (R&D) tax refund of A\$462,172 under the federal government's R&D Tax Incentive Scheme. The Company's claim related to the costs of its R&D activities for the 2013/2014 financial year, particularly in relation to the ongoing development and optimisation test work of the Company's high purity alumina (HPA) process flowsheet.

The R&D Tax Incentive program is jointly administered by AusIndustry (on behalf of Innovation Australia) and the Australian Taxation Office. It is a targeted program that helps businesses offset a portion of costs relating to eligible R&D activities and innovation.

Annual General Meeting

The Company's annual general meeting (AGM) was held on 5 November 2014 at the Celtic Club in West Perth. The meeting was well attended and all resolutions were carried on a show of hands, including the adopting of the Company's new name, Altech Chemicals Limited.

Non-renounceable Pro-rata Entitlement Offer

During the quarter the Company announced the launch of a non-renounceable pro-rata entitlement offer (Entitlement Offer), which was offered to eligible shareholders on the basis of one (1) new Altech share at \$0.10 for every four (4) shares held, with a free-attaching listed option (exercise price \$0.10, expiring of 15 Dec 2015), the offer closed on Friday, 19 December 2014.

In total, the Entitlement Offer raised \$402,774. The funds will be applied to the Company's Bankable Feasibility Study (BFS) for the development of the HPA operation, corporate purposes and general working capital.

Mineral sands joint venture finalised

Altech finalised a Farm-in and Joint Venture Agreement (JVA) with global engineering services group Midas Engineering Group Pty Ltd (Midas) (formerly METS) for the co-operation and advancement of the South West Titanium Project (formerly called Glenarty Mineral Sands Project) during the December quarter.

Midas is a dynamic and innovative global engineering group that specialises in mineral processing, design and project management for the mining industry.

Under the JVA terms, Midas will sole fund a series of engineering studies to confirm the mineral sands project's economic viability. The project, currently 100%-owned by Altech, contains a combined JORC (2004) indicated and inferred mineral resource of 807Mt at 3.7% heavy mineral (HM), estimated by the Company in June 2013. Under the JVA, Midas has the right to earn up to 20% interest in the project upon the completion of a scoping study, which it must sole fund; and a further 30% interest post completion and verification of a pre-feasibility study, which it must also sole fund.

With the Company focussing on the development of its HPA project, the JVA is an excellent opportunity for the advancement of this non-core project, and as the Company is free-carried during the farm-in period, it will not incur any costs.

Cash position

The Company had approximately \$1.2m as at 31 December, 2014.





Altech Chemicals Limited

Company Snapshot

Altech Chemicals Limited
(ATC) ABN 45 125 301 206

FINANCIAL INFORMATION (as at 31 December 2014)

Share Price:	\$0.088
Shares:	111.5m
Listed Options:	25.3m
Unlisted Options:	12.6m
Performance Rights*:	15.4m
Market Cap:	\$9.8m
Cash:	\$1.2m

DIRECTORS:

LUKE ATKINS LLB
Non-executive Chairman

IGGY TAN B.Sc MBA GAICD
Managing Director

PETER BAILEY B.Sc(Hons) Elect.Eng MIEE C.Eng
Non-executive Director

DAN TENARDI
Non-executive Director

Shane Volk
BBus (ACC) GradDip (ACG) CSA
Company Secretary & CFO

ADDRESS:
3 Bay Road, Claremont
Western Australia 6010

T: +61 8 9389 5557
F: +61 8 9389 5510

***Subject to vesting conditions**

Additional Information

Schedule of tenements

As per Listing Rule 5.3.3, Altech Chemicals held the following tenements (exploration and mining leases) as at 31 December 2014:

Tenement ID	Location	Project	Grant Date	Interest - start of quarter	Interest - end of quarter
E77/4577	WA, Australia	Bencubbin	Application	100%	0%
E70/4581	WA, Australia	Bobalong	Application	100%	0%
E63/1700	WA, Australia	Gibson	Application	100%	0%
E77/1746	WA, Australia	Lake Deborah	21/09/2010	100%	0%
E77/1747	WA, Australia	Lake Deborah	21/09/2010	100%	0%
E77/1748	WA, Australia	Lake Deborah	21/09/2010	100%	0%
E77/1770	WA, Australia	Koolyanobbing	8/11/2010	100%	100%
EPM16620	QLD, Australia	Constance Range	4/11/2008	100%	100%
EPM17919	QLD, Australia	Constance Range	28/02/2011	100%	100%
EPM18375	QLD, Australia	Constance Range	27/04/2012	100%	100%
EPM19772	QLD, Australia	Constance Range	Application	100%	100%
EPM19773	QLD, Australia	Constance Range	11/02/2013	100%	100%
E70/4630	WA, Australia	Donnelly Graphite	Application	100%	100%
E45/4067	WA, Australia	East Pilbara	Application	100%	100%
E70/4657	WA, Australia	Green Range	Application	100%	100%
E70/4654	WA, Australia	Green Range	Application	100%	100%
E70/4582	WA, Australia	Meckering	Application	100%	0%
E70/4585	WA, Australia	Kerrigan	Application	100%	0%
E70/4658	WA, Australia	Kerrigan	Application	100%	100%
E70/4669	WA, Australia	Kerrigan	Application	0%	100%
EPM18030	QLD, Australia	Maytown	Application	100%	100%
E70/3923	WA, Australia	Meckering	26/11/2010	100%	100%
E70/4659	WA, Australia	Meckering	Application	100%	100%
E70/4668	WA, Australia	Meckering	Application	0%	100%
E70/4655	WA, Australia	Meckering	Application	100%	100%
M70/1334	WA, Australia	Meckering	Application	0%	100%
E70/4341	WA, Australia	SW Titanium	16/01/2013	100%	100%
E70/4643	WA, Australia	SW Titanium	Application	100%	100%

COMPETENT PERSON STATEMENT

Technical information in this report is based on information compiled by Mr Michael O'Mara, B.Sc. Geology, Altech Chief Geologist and a member of the Australasian Institute of Geoscientists. Mr O'Mara has sufficient exploration experience, which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ('JORC 2004'). Mr O'Mara consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

FORWARD-LOOKING STATEMENTS

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of our Company, the Directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8 Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 01/05/2013

Name of entity

ALTECH CHEMICALS LIMITED

ABN

45 125 301 206

Quarter ended ("current quarter")

31 December, 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(23)	(148)
	(b) development	(552)	(837)
	(c) production	-	-
	(d) administration	(162)	(279)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	14	18
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and Development tax refund	462	462
	Net Operating Cash Flows	(261)	(784)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(12)	(12)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	5
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Disposal of fixed assets	-	-
	Net investing cash flows	(12)	(7)
1.13	Total operating and investing cash flows (carried forward)	(273)	(791)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(273)	(791)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	211	211
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - payment of finance lease	-	-
1.19	Other - share issue costs	(30)	(30)
	Net financing cash flows	181	181
1.20	Net increase (decrease) in cash held	(92)	(610)
1.21			
1.22	Cash at beginning of quarter/year to date	1,265	1,784
	Exchange rate adjustments to item 1.20		-
	Cash at end of quarter	1,174	1,174

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	
1.24	Aggregate amount of payments to the parties included in item 1.10	181

1.25 Explanation necessary for an understanding of the transactions

Directors remuneration, consulting fee's and the rental of office premises

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

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

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and Evaluation	40
4.2 Development	360
4.3 Production	-
4.4 Administration	200
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 as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	674	265
5.2 Deposits at call	500	1,000
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,174	1,265

Changes in interest in mining tenements and petroleum tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	E70/4581	Relinquished	100%	0%
	E63/1700	Relinquished	100%	0%
	E70/4577	Relinquished	100%	0%
	E70/4585	Relinquished	100%	0%
	E70/4582	Relinquished	100%	0%
	E77/1746	Surrendered	100%	0%
	E77/1747	Surrendered	100%	0%
6.2 Interests in mining tenements and petroleum tenements acquired or increased	E77/1748	Surrendered	100%	0%
	E70/4668	Application	0%	100%
	E70/4669	Application	0%	100%
	M70/1334	Application	0%	100%

+ See chapter 19 for defined terms.

Issues 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	Amount paid up per security
7.1 Partly paid ⁺securities				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 ⁺Ordinary securities	111,536,237	111,536,237		Fully paid
7.4 Changes during quarter				
(a) Increases through issues	3,777,735	3,777,735	\$0.10	Fully paid
(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				
	8,000,000	-	Ex. Price \$0.20	Expiry 31-05-2015
	21,465,000	21,465,000	Ex. Price \$0.20	Expiry 31-05-2015
	1,000,000	-	Ex. Price \$0.20	Expiry 18-12-2017
	1,000,000	-	Ex. Price \$0.25	Expiry 18-12-2017
	1,000,000	-	Ex. Price \$0.30	Expiry 18-12-2017
	500,000	-	Ex. Price \$0.20	Expiry 08-02-2015
	333,333	-	Ex. Price \$0.30	Expiry 04-02-2015
	200,000	-	Ex. Price \$0.25	Expiry 15-09-2015
	600,000	-	Ex. Price \$0.20	Expiry 31-01-2017
	3,777,735	3,777,735	Ex. Price \$0.10	Expiry 15-12-2015
Employee Rights	384,580	-	Nil Ex. Price	Subject to vesting conditions
Managing Director Performance Rights	15,000,000	-	Nil Ex. Price	
7.8 Issued during quarter	3,777,735	3,777,735	Ex. Price \$0.10	Expiry 15-12-2015
Managing Director Performance Rights	15,000,000	-	Nil Ex. Price	Subject to vesting conditions

⁺ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

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 the ASX (see note 5).
- 2 This statement does ~~/does not~~ give a true and fair view of the matters disclosed.

Sign here:



Dated: 30 January, 2015

Print Name: Shane Volk
(Director/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 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 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *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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