31st October 2016

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QUARTERLY ACTIVITIES AND CASHFLOW REPORT 30 SEPTEMBER 2016

Please find attached the Quarterly Activities and Appendix 5B Quarterly Cash Flow Reports for the Quarter ended 30 September 2016.

Yours faithfully

Stephen Biggins
Managing Director

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ASX Release

31st October 2016

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Directors:

Greg English
Non-Executive Chairman

Stephen Biggins
Managing Director

Heath Hellewell
Non-executive Director

Issued Capital:
340,002,728 Ordinary Shares
114,772,959 Quoted Options
1,000,000 Unquoted Options
4,000,000 Unquoted Performance Rights

ASX Codes: CXO, CXOOA

QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 30 SEPTEMBER 2016

Highlights

The Board of Core Exploration Ltd ("Core" or "Company") is pleased to present its Quarterly activities report for the Period ended 30 September 2016.

High grade spodumene intersections in Core's maiden lithium drilling program during the reporting period at the Finniss Lithium Project ("Finniss") in the Northern Territory has confirmed Finniss, as a major new discovery of high grade lithium.

With the granting of EL 31126 and EL 31127 at Finniss Core now holds the largest lithium tenure position in the NT, including the highest grade lithium drill intersections, the largest historic pegmatite mine and at least another 25 other recorded pegmatite mines in the Northern territory.

Core is also pleased to confirm that recently acquired tenement EL 29698, which includes each of the recently drilled prospects, has now been transferred and registered to Core.

The discovery of high grade zones of lithium with this current drill program is very significant for Core given the scale of some of the new pegmatites identified by Core are directly comparable to the scale of pegmatites hosting large lithium resources in Western Australia.

Core has a current cash position of approximately $10 million including funds received from recent oversubscribed SPP.

Lithium Projects in the NT

Core has continued to expand and consolidate its strategic lithium projects in pegmatite provinces in the NT during 2016 and has a strong diversity of lithium projects with a range of exploration maturities.

The focus of Cores' activity during the reporting period has been on Core's Finniss Lithium Project near Darwin where high grade spodumene intersections in Core's maiden lithium drilling program has confirmed Finniss, as a major new discovery of high-grade lithium.

The Finniss Lithium has substantial infrastructure advantages; being close to grid power, gas and rail and within easy trucking distance by sealed road to Darwin Port - Australia's nearest port to Asia.

Core has also appointed specialist-engineering consultants Como Engineers to manage the proposed metallurgical test work and provide early engineering advice to the Finniss Lithium Project.

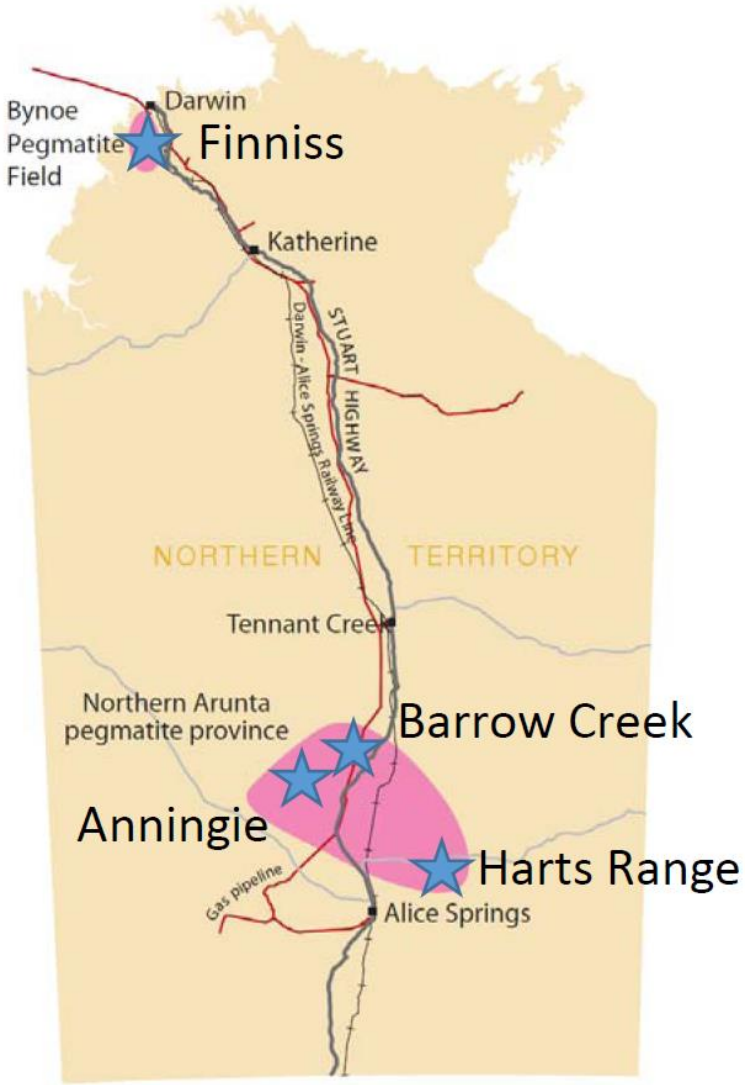

Figure 1. Core's Lithium Projects and tin-tantalum pegmatite provinces of the Northern Territory (from NTGS Report 16 – 2004)

Finniss Lithium Project, NT (100% owned CXO)

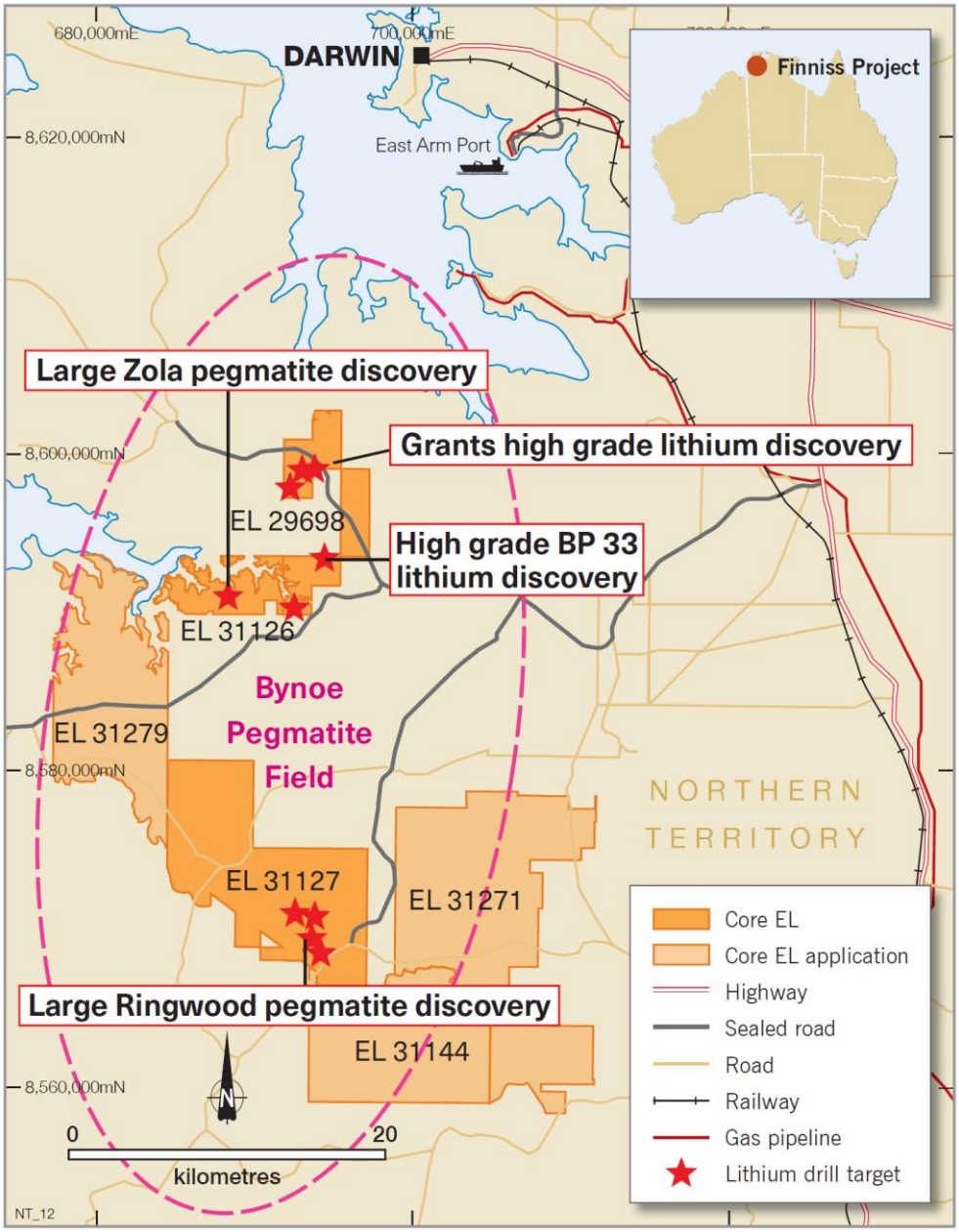

Figure 2. Initial drill target locations, Finniss Lithium Project, NT.

Grants Prospect RC Drilling Results

The highest lithium grade intersections ever drilled in the NT were made at the Grants Prospect drilled in Core's maiden drilling program during the quarter at Finniss.

Results from assays to date from the Grants Prospect include:

- **49m @ 1.78% Li_2O from 71m (FRC007) including:**
  - **6m @ 2.26% Li_2O from 97m**
  - **9m@ 2.05% Li_2O from 110m**
- **31m @ 1.61% from 68m (FRC0017), including:**
  - **4m @ 2.01% from 83m**
- **40m @ 1.66% Li_2O from 58m (FRC0018), including:**
  - **10m @ 2.02% Li_2O from 65m**
  - **5m @ 2.05% Li_2O from 84m**
  - **1m @ 3.23% Li_2O from 85m**

The second prospect drilled by Core in its maiden drilling program at the Finniss Lithium Project was the Grants prospect, where six holes were drilled.

The best result was **1.78% Li_2O over 49m**, containing zones of high-grade spodumene mineralisation of up to **9m @ 2.05% Li_20** (drill hole FRC007). Other holes at Grants also returned zones of high-grade lithium as listed in Table 1 below.

All holes hit pegmatite intersections over broad intervals of 30–50 metre widths (approximately 20-30m true width), containing high grades of lithium as spodumene mineralisation (Table 1 and Figures 3-4).

The Grants Pegmatite outcrops for over 350m at surface, is consistently intersected in all drill sections, and is open to the north and south.

Grants is ideally located less than 1km from Highway 34, which connects the Finniss Lithium Project by high quality, sealed road to the Port of Darwin. Core's high-grade drill intersections at Grants are located less than 25km from the Port of Darwin.

Hole No.	E	N	Depth(m)		From(m)	Interval (m)	Li2O(%)
FRC006	693002	8599086	131		70.0	49.0	**1.77**
				Inc.	96.0	6.0	**2.08**
				Inc.	109.0	9.0	**2.01**
FRC007	692996	8598992	76		61.0	14.0	**1.16**
FRC008	693016	8599170	118		83.0	20.0	**1.18**
				Inc.	95.0	2.0	**1.26**
FRC017	693104	8599069	112		68.0	31.0	**1.61**
				inc	83.0	4.0	**2.01**
FRC018	693091	8598986	112		58.0	40.0	**1.66**
				inc	65.0	10.0	**2.02**
					84.0	5.0	**2.05**
					85.0	1.0	**3.23**

Table 1. Significant Lithium assay grades in all RC drillholes at Grants Prospect, Finniss Lithium Project NT. Mean grades have been calculated on a 0.4% Li2O lower cut-off grade with no upper cut-off grade applied, and maximum internal waste of 2.0 metres.

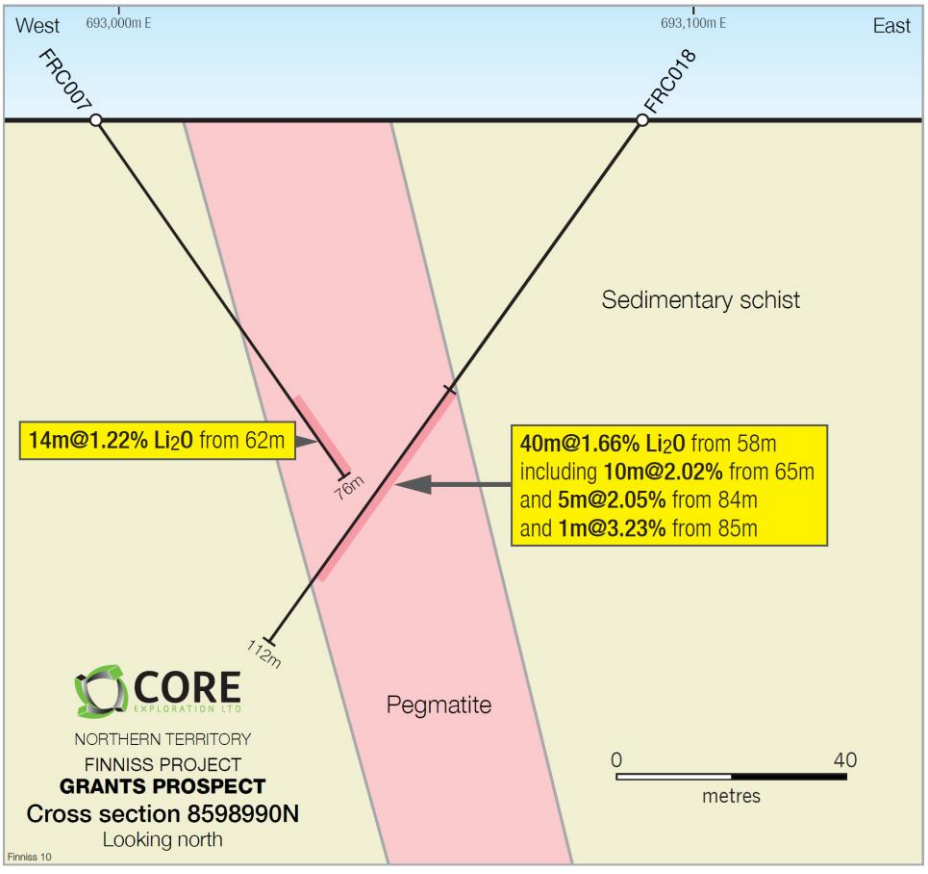

Figure 3. Recent RC Drill Results, Cross Section 8998990N (looking NE), Grants Pegmatite.

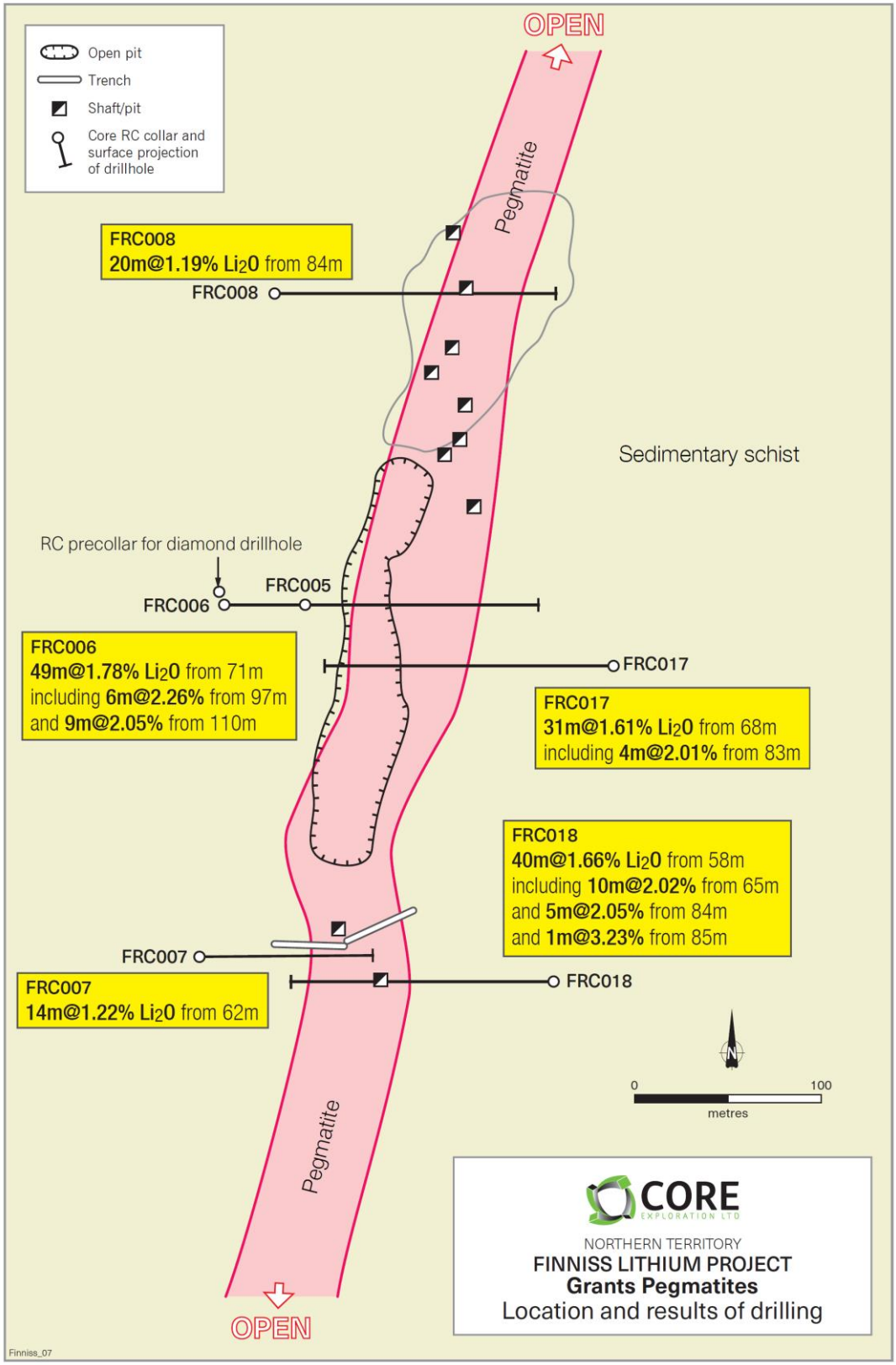

Figure 4. Grants Pegmatite showing Core's RC drilling and historic mining and trenching, Finniss Lithium Project, NT.

BP33 Prospect RC and Diamond Core Drilling Results

The first prospect drilled by Core at Finniss was the BP33 prospect, where four holes were drilled with all holes hitting pegmatite intersections over broad 40–60 metres (approximately 30-35m true width), containing high grades of lithium as spodumene mineralisation (Tables 2 and Figures 5-6).

The best result was 1.60% Li_2O over 34m, containing zones of high-grade spodumene mineralisation of up to 7m @ 2.02% Li_20 (drill hole FRC003). The other three holes at BP33 also returned zones of high-grade lithium. Results are listed in Table 2 below.

Initial observations of the BP33 core show that high-grade lithium as spodumene is almost ubiquitous throughout the first 40m fully cored pegmatite drill intersection (Figure 5-6).

As a result, Core has immediately commenced preparation for this large diameter HQ core and additional cored drillholes at Grants (once completed) to be sent for metallurgical test work to determine their potential to produce commercial grade spodumene concentrate.

Spodumene mineralisation is relatively consistent for most of the 40m of continuous pegmatite intersected from 80m downhole, if approximately metre-scale pegmatite margins and quartz cores are disregarded.

Spodumene crystals vary in colour from pale green, pink, dull yellow and also some white varieties are present. No other lithium minerals appear evident, such as amblygonite or lepidolite (Figures 5-6). On preliminary inspection it appears that, the pegmatite at BP33 comprises only a few simple minerals, in overall order of abundance: feldspar, spodumene, quartz and muscovite (less than 5%).

The BP33 prospect is located approximately 150m north of BP32 and 200m NE of BP32W. It is likely that all these pegmatite bodies are part of a larger interconnected pegmatite swarm, and Core plans to drill these prospects with subsequent phases of drilling at Finniss. BP33 pegmatite has been mined historically from surface down to 10-20m for tin and tantalum (Figures 5 and 6).

Hole No.		From (m)	To (m)	Interval (m)	Grade (Li_2O%)
FRC001		72.0	87.0	**15.0**	**1.15**
	including	73.0	80.0	**7.0**	**1.40**
FRC002		68.0	98.0	**22.0**	**1.01**
	Including	77.0	89.0	**12.0**	**1.56**
	Including	82.0	86.0	**4.0**	**2.02**
FRC003		71.0	105.0	**34.0**	**1.60**
	Including	79.0	86.0	**7.0**	**2.02**
	Including	93.0	97.0	**4.0**	**2.00**
	Including	101.0	104.0	**3.0**	**2.00**
		119.0	120.0	**1.0**	**1.88**
FRC004		61.0	75.0	**14.0**	**1.42**
		82.0	90.0	**8.0**	**1.12**

Table 2. Lithium assay grades in all RC drillholes at BP33 Prospect, Finniss Lithium Project NT.

Figure 5. Large green spodumene crystals hosted by lighter coloured (white) feldspar and quartz. 95.2m – 103.1m FRDD001 (HQ), BP33 Prospect, Finniss Lithium Project NT.

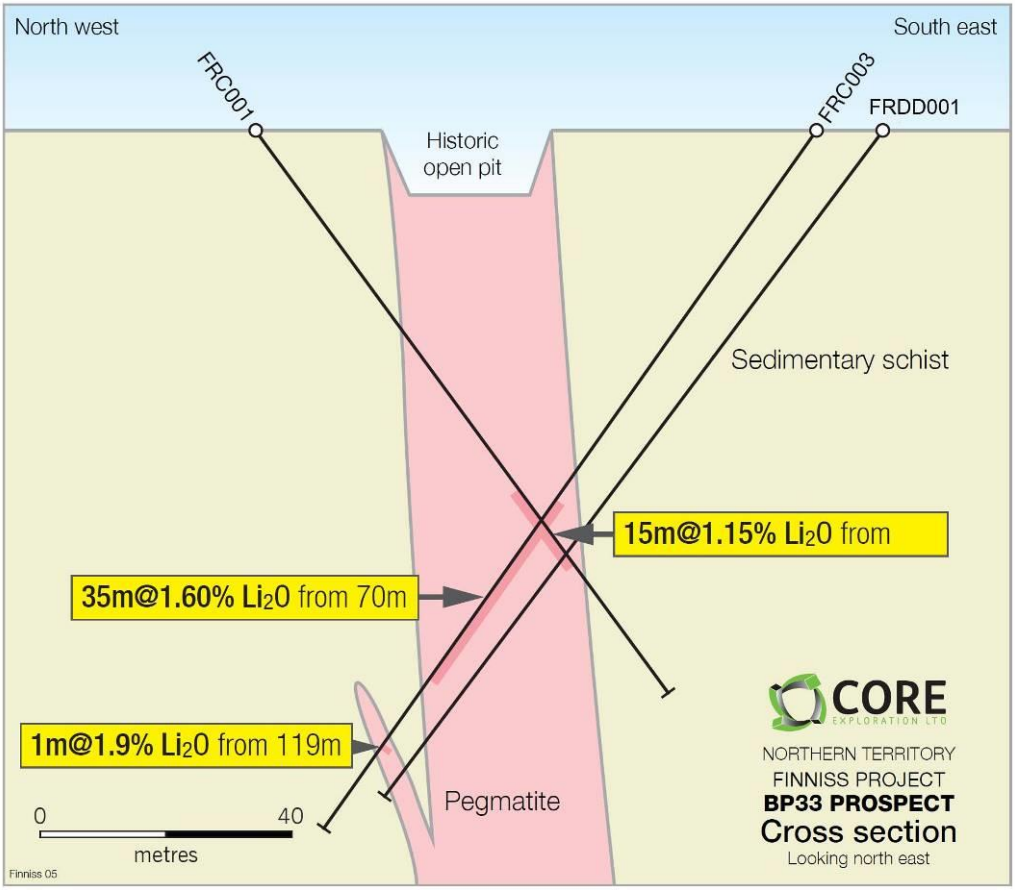

Figure 6. FRDD001 and X-section BP33 Prospect, Finniss Lithium Project, NT.

Zola Prospect

Reconnaissance mapping and careful research of historic reports by Core during the reporting period has uncovered several large un-documented or poorly documented pegmatites.

The large-scale Zola Pegmatite Prospect on newly granted EL 31126 includes a north-south trending swarm of pegmatites covering an area conservatively estimated at between 1-2 square kilometres (Figures 7).

The most important aspect of Zola is the scale (Figure 7). The outcrop of decomposed pegmatite and quartz blows extend for up to 1,500 m NS and could be as long as 2,000m under cover (abundant quartz in road-cutting to the north – Figure 7). Pegmatite material extends EW for at least 450m at surface, suggesting a substantial swarm of highly fractionated pegmatites.

The scale of the Zola Pegmatite prospect is directly comparable to the scale of pegmatites hosting large resources in the Pilgangoora region in Western Australia (Figure 7).

In the 1980's, Union Oil and JV partner Kakadu excavated a total of seven costeans (approximately 1000m) across the pegmatite zone.

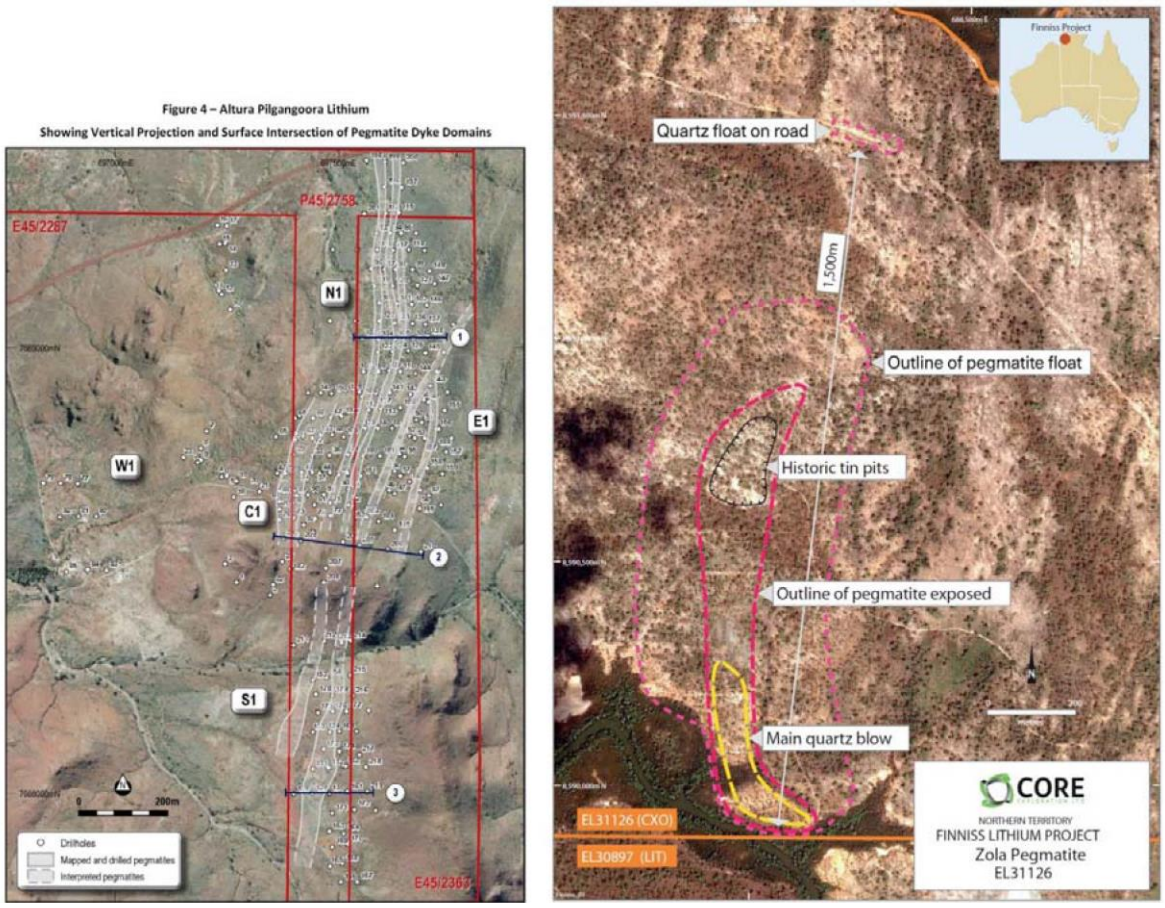

Figure 7. Core's Zola Pegmatite (CXO Finniss Lithium Project) and Altura Mining's Pilgangoora Lithium pegmatites (35.7 million tonnes @ 1.05% lithium – AJM 11/02/2016) compared at same scale (figure from AJM Pilgangoora Resource Update 14/09/15)

Ringwood Prospect

During the reporting period, Core discovered an additional large pegmatite swarm within the Finniss Lithium Project near Darwin in the NT.

The Ringwood Pegmatite Swarm together with the previously announced large pegmatite find at Zola are expected to add substantial scale and upside to Core's Finniss Lithium Project. Ringwood, Zola and other large pegmatites discovered by Core at Finniss are directly comparable to the scale of lithium pegmatites in Western Australia.

The Ringwood Pegmatite Swarm presents as pegmatite and quartz outcrop and float extends at least 2,000m long and 800m wide (Figure 8).

Ringwood is positioned within a 6,000m long trend of previously unmapped pegmatites north from Mt Finniss Mine NT's largest historically producing pegmatite mine that is also within Core's Project. Spodumene mineralisation has also been recently drilled to the north of the Ringwood trend by Liontown (ASX:LTR) at the Sandra's Pegmatite (Figures 8-9).

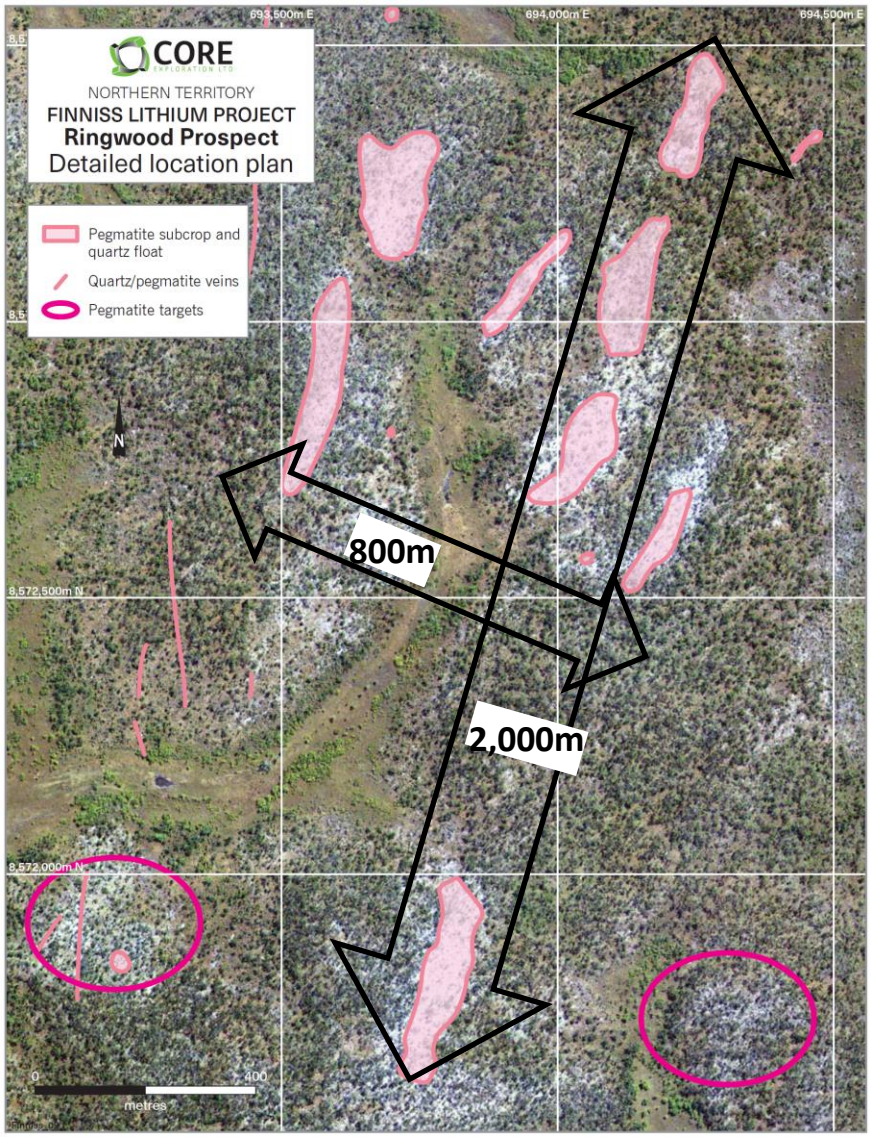

Figure 8. Ringwood Pegmatite Swarm interpreted outcrop geology and satellite imagery

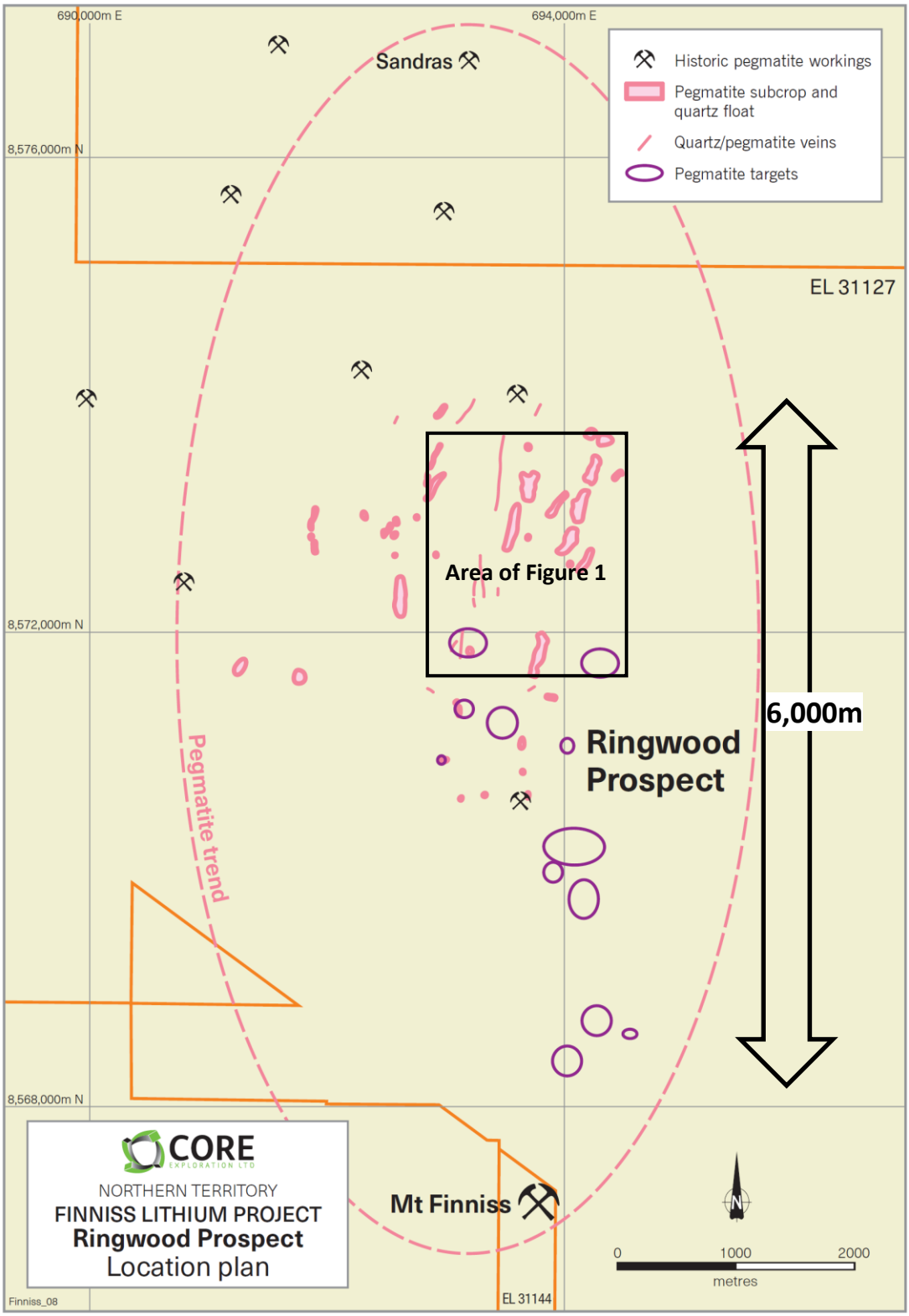

Figure 9. Ringwood Prospect and pegmatite trend between Mt Finniss Mine and Sandras EL 31127 Finniss Lithium Project, NT.

Anningie and Barrow Creek Lithium Projects, NT

Core's Anningie and Barrow Creek Lithium Projects. Encompass four Exploration Licence applications covering approximately 2,500 square kilometres in and around the Anningie and Barrow Creek Tin Tantalum Pegmatite fields in the north Arunta Region of the NT, which are considered highly prospective for lithium.

NORTHERN ARUNTA PEGMATITE PROVINCE

The Northern Arunta pegmatite province occurs in well-defined clusters in the Barrow Creek and Anningie pegmatite fields (Figure 10). The mineralised pegmatites typically occur in linear swarms and range in size from a few metres long and less than a metre wide up to hundreds of metres long and tens of metres wide.

The first reported occurrence of alluvial tin mining from tin-bearing pegmatites in the Arunta Region was not until 1935, when shallow alluvial deposits were worked on leases southwest of Barrow Creek Township at what was to become the Anningie Tin Field.

As with Greenbushes in WA, before economic lithium was recognised, the northern Arunta also has a long history of tin and tantalum mining. It is also evident that the pegmatites in the Anningie and Barrow Creek fields are enriched with lithium as evidenced by economic lithium minerals spodumene as well as highly elevated lithium in geoscientific sampling of source granites and pegmatites.

To date lithium has not been explored for in the north Arunta and the potential of the area is yet to be properly assessed given all of the historical work only focused on tin-tantalum. The pegmatites that have been recognised and exploited to date are only the near surface expression and there is high potential for larger mineralised bodies at depth.

Anningie Pegmatite Field

The Anningie Tin Field is located southwest of TNG Ltd's (ASX:TNG) Mt Peake Vanadium Project approximately 80km west of Barrow Creek in NT (Figure 10).

Alluvial tin was discovered at the site of what was to become the Reward Lease in 1935.

The lithium minerals spodumene, elbaite and lepidolite are reported to occur in pegmatite a few kilometres east of the Anningie Tin Field.

Located toward the centre of the field, the Reward mine (within excised area – Figure 10) is reported to contain the largest of the tin-tantalum bearing pegmatites (~200 m long and ~10-20 m wide). The main workings occurred in alluvium and that mineralisation was the result of the shedding of tin-tantalum from outcropping pegmatite dykes.

The Reward pegmatite was sampled by the NTGS (~circa 2004) and analysed for major- and trace-element chemistry. The NTGS report states that Reward pegmatite clearly has the most favourable chemistry of all the North Arunta pegmatites. Lithophile trace elements Rb, Cs and Li, are consistently high and also more elevated in Ta, Nb, Sn and Li, than the other pegmatites sampled in the suite.

Barrow Creek Pegmatite Field

A number of tin-tantalum-bearing pegmatites intrude the Palaeoproterozoic Bullion Schist within 30 km of Barrow Creek.

Tin tantalum concentrate production commenced in the 1940's from the Barrow Creek pegmatite field from weathered pegmatite and elluvium.

The source granite for the pegmatites is considered to be 1713 Ma, fractionated S-type Barrow Creek Suite, which occurs as apophyses throughout the Barrow Creek area (Fig 10).

NTGS and other geoscientific research highlights that the Barrow Creek Suite source granites have enriched lithium contents comparable with the highest lithium granites in the NT.

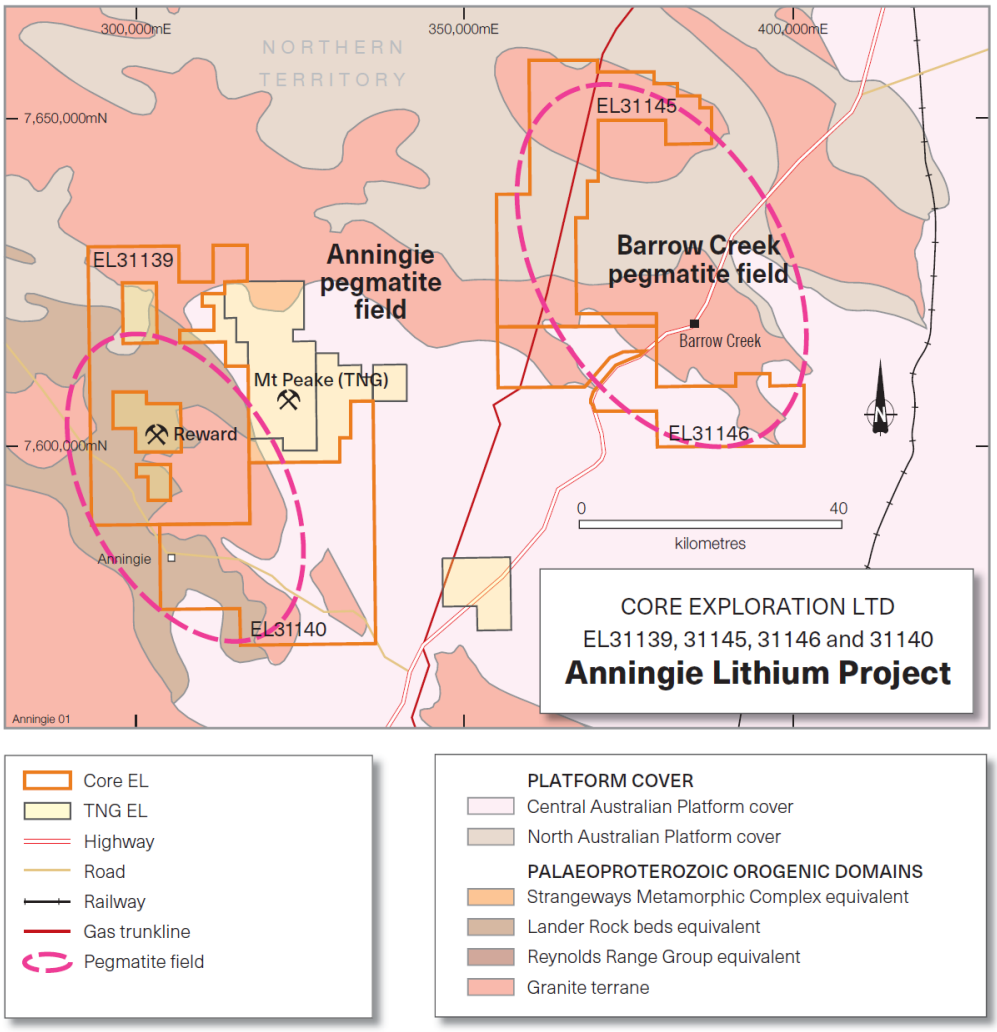

Figure 10. Core's tenements within the Anningie and Barrow Creek Pegmatite Fields, NT

Proposed Activities Next Quarter

Finniss Lithium Project, NT

Core has commenced immediate follow-up of the recently announced high-grade spodumene discoveries at Grants and BP33 Prospects on the Finniss Lithium Project near Darwin in the NT.

The first diamond drilling program at Finniss is underway and acquiring the first fully cored spodumene intersections in the Bynoe Field through these highly mineralised pegmatites.

A second phase of RC drilling is also planned to commence shortly at Finniss to both follow up and also to further explore the scale of lithium mineralisation discovered so far by Core's first drilling program.

Core plans to undertake concentrate test-work on the mineralised high-grade core from diamond drilling to potentially produce commercial grade spodumene concentrate. This metallurgical test-work as well as early engineering studies will be another key step forward toward evaluating the economics of the Finniss Lithium Project

Anningie and Barrow Creek Lithium Project, NT

Core will continue the Company's reconnaissance exploration work on this highly prospective early stage lithium project.

Corporate

CASH POSITION

Core currently has a cash position of $10.0 million.

Core had $1.27 million cash on hand at the end of the September 2016 Quarter. Since the end of the quarter, Core completed a share placement raising $6,020,566 and oversubscribed SPP raising approximately $3 million - $9.0 million in total.

Exploration and evaluation expenditure by the Company during the September 2016 Quarter was $676,000.

EXPLORATION TENEMENTS

During the quarter, Northern Territory tenement EL29304 was surrendered and licences applications EL31126 and EL31127 were granted. South Australian tenement EL5809 was granted and EL5375 was reduced to 74km^2 & EL5192 was reduced to 470km^2.

SHARE CAPITAL CHANGES

Ordinary shares

On 29 August 2016, the Company issued 1,086,957 shares at $0.0368 per share upon completion of an agreement to acquire Exploration Licence EL 29698 at the Finniss Lithium Project in the Northern Territory.

On 30 September, a further 1,000,000 shares were issued upon the exercise of unlisted options (5 cents exercise price and 30 September 2016 expiry).

On 13 October, Core issued 66,895,188 at 9 cents each following a successful placement to raise $6.02 million.

Unquoted options

On 30 September, 1,000,000 options with an exercise price of 5.0 cents each were exercised and a further 1,000,000 options with an exercise price of 7.5 cents each were not exercised and expired.

On 16 October, 200,000 options with an exercise price of 8.5 cents each were not exercised and expired.

On 31 October, 92,000 options with an exercise price of 5.0 cents were exercised.

Unquoted performance rights

On 19 August 2016, the Company issued 4,000,000 unlisted director and employee performance rights, subject to various key performance indicator vesting criteria.

A summary of movements and balances of equity securities between 1 July 2016 and this report are listed below (items marked with a * occurred subsequent to the end of the quarter):

	Ordinary shares	**Quoted options**	**Unquoted options**	**Unquoted performance rights**
On issue at start of Quarter	**270,928,583**	**114,864,959**	**3,200,000**	**-**
Consideration shares (EL29698)	1,086,957	-	-	-
Remuneration performance rights	-	-	-	4,000,000
Exercise and expiry of unquoted options	1,000,000	-	(2,000,000)	-
Share placement*	66,895,188	-	-	-
Expiry of unquoted options*	-	-	(200,000)	-
Exercise of quoted options*	92,000	(92,000)	-	-
Total securities on issue at the date of this report	**340,002,728**	**114,772,959**	**1,000,000**	**4,000,000**

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken 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. Biggins consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The report includes results that have previously recently been released under JORC 2012 by Core. The Company is not aware of any new information that materially affects the information included in this announcement:

25/10/2016	*High Quality Spodumene in First Drill Core at Finniss*
20/10/2016	*Further High Grade Lithium Intersections at Finniss*
18/10/2016	*New Large-Scale Pegmatite Targets Discovered at Finniss*
6/10/2016	*Over Subscribed Placement to Accelerate Finniss Project*
3/10/2016	*Highest Grade Spodumene Intersections Ever Drilled in the NT*
30/09/2016	*Core Exploration 2016 Annual Report to Shareholders*

27/09/2016	*Key Finniss Tenements Granted*
23/09/2016	*High Grade Spodumene Confirms Significant Lithium Discovery*
6/09/2016	*Substantial Pegmatite Intersections Containing Spodumene*
26/08/2016	*First Drilling Underway on Finniss Lithium Project*
17/08/2016	*Core Awarded $190,000 PACE Co-funding to Drill Zinc Project*
15/08/2016	*Core Exercises Option to Acquire Finniss Lithium Tenure*
9/08/2016	*First Drilling to commence on Finniss Lithium Project*
5/08/2016	*Highly Prospective Lithium Drill Target at Finniss Project*
11/07/2016	*NT Lithium Projects Presentation*
6/07/2016	*Core Doubles Lithium Landholding*

Tenement Table

Tenement number	Tenement name	Beneficial Interest at the end of the Quarter	Changes during Quarter
South Australia			
EL 5731	Fitton	100%	None
EL 4906	Roxby Downs	100%	None
EL 5015	Yerelina	100%	None
EL 5192	Calcutta	100%	Reduced to 470km^2
EL 5320	Yorke Peninsula	100%	None
EL 5375	Billy Springs	100%	Reduced to 74km^2
EL 5809	Mt Lyndhurst	100%	Granted
Northern Territory			
EL27369	Mt Russell	100%	None
EL27709	Pattersons	100%	None
EL28029	White Range East	100%	None
EL28136	Blueys	100%	None
EL28940	Mordor	100%	None
EL29304	Brumby Dam	0%	Surrendered
EL29347	Yambla	100%	None
EL29389	Mt George	100%	None
EL29512	Daicos	100%	None
EL29514	Mt Emma	100%	None
EL29579	Jervois	100%	None
EL29580	Jervois	100%	None
EL29581	Jervois	100%	None
EL29669	Jervois	100%	None
EL29689	Riddoch	100%	None
EL30669	Ross River	100%	None
EL30793	McLeish	100%	None
EL29698	Finniss	100%	None
EL31126	Bynoe	100%	Granted – previously application
EL31127	Bynoe	100%	Granted – previously application

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

Core Exploration Limited

ABN	**Quarter ended ("current quarter")**
80 146 287 809	30 September 2016

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(676)	(676)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs (net of capitalised expenditure)	(32)	(32)
	(e) administration and corporate costs	(205)	(205)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	20	20
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	(257)	(257)
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(1,150)**	**(1,150)**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(3)	(3)
	(b) tenements (see item 10)	(40)	(40)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(43)**	**(43)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	50	50
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)	(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 (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**48**	**48**

Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (3 months) $A'000**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	2,413	2,413
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,150)	(1,150)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(43)	(43)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	48	48
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,268**	**1,268**

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	268	213
5.2	Call deposits	1,000	2,200
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,268**	**2,413**

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	102
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

The amount above includes all payments to Directors and also includes payments to entities associated with Stephen Biggins and Heath Hellewell. The payments relate to executive services and directors' fees on commercial terms.

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Not applicable

8.	Financing facilities available *Add notes as necessary for an understanding of the position*	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.

Not applicable

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	800
9.2	Development	-
9.3	Production	-
9.4	Staff costs	30
9.5	Administration and corporate costs	200
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**1,030**

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	EL29304	Beneficially held	100%	0%
		EL5375	Beneficially held – reduced to 74km^2	100%	100%
		EL5192	Beneficially held – reduced to 470km^2	100%	100%
10.2	Interests in mining tenements and petroleum tenements acquired or increased		All previously exploration licence applications		
		EL5809	Beneficially held	0%	100%
		EL31126	Beneficially held	0%	100%
		EL31127	Beneficially held	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 2016

Company secretary

Print name: Jaroslaw (Jarek) Kopias

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 as either cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.