



25 January 2018

Centralised Company Announcements Platform
Australian Securities Exchange
10th floor, 20 Bond Street
Sydney NSW 2000

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 31 DECEMBER 2017

Please find attached the Quarterly Activities and Appendix 5B Quarterly Cash Flow Reports for the Quarter ended 31 December 2017.

Yours faithfully



Stephen Biggins
Managing Director



ASX Release

25 January 2018

CORE EXPLORATION LTD

26 Gray Court
Adelaide SA 5000
(08) 7324 2987

CONTACT:

Stephen Biggins
Managing Director

Jarek Kopias
Company Secretary

E-MAIL:

info@coreexploration.com.au

WEBSITE:

www.coreexploration.com.au

Directors:

Greg English
Non-Executive Chairman

Stephen Biggins
Managing Director

Heath Hellewell
Non-Executive Director

Issued Capital:

496,320,860 Ordinary Shares
6,500,000 Unquoted Options
6,800,000 Unquoted Performance Rights

ASX Code: CXO

QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 31 December 2017

Highlights

The Board of Core Exploration Ltd (“Core” or “Company”) is pleased to present its Quarterly activities report for the Period ended 31 December 2017.

During the reporting period Core:

Entered into a binding Offtake Agreement, a conditional US\$20 million Prepayment Agreement and a \$2m Placement for its 100% Finniss Lithium Project near Darwin in the NT with one of China’s largest lithium producers.

Lodged a Mineral Lease (“ML”) with the Department of Primary Industry and Resources and a Notice of Intent (“NOI”) with the Northern Territory Environment Protection Authority for the Grants Lithium Project.

Successfully completed the acquisition of the Bynoe Lithium Project directly adjacent to Core’s Finniss Lithium Project in the NT near Darwin from Liontown Resources Ltd (ASX:LTR).

Drilled wide high grade spodumene intersections at Core’s 100% owned high grade BP33 pegmatite.

Drilled multiple intersections confirming the potential of the 100%-owned Sandras Prospect to host high-grade spodumene pegmatite.

Had a strong cash position of approximately \$4.6 million to further its project objectives at the end of the period.

Lithium Projects in the NT

Core has established one of Australia's highest grade lithium resources at the Grants Deposit within the Finniss Lithium Project ideally located near Darwin Port, Australia's closest port to China.

Core's immediate objective is to drive Grants Lithium Deposit through development and into production to establish a long-life lithium spodumene concentrate operation from its hub at the Finniss Lithium Project in the Bynoe pegmatite field of the Northern Territory.

The Grants lithium deposit represents the first Mineral Resource defined within Core's Finniss Lithium Project in the Northern Territory and is one of many similar pegmatite prospects identified by Core within its portfolio, which also includes the high grade BP33 lithium prospect located 5km away from Grants, and where recent drilling has demonstrated potential for a second high grade, moderate scale project.

Following completion of a robust mining study in respect of the development of Grants, during the reporting period, Core has applied for a Mineral Lease, commenced the environmental regulatory process by lodging the NOI and now concluded our maiden offtake and prepayment agreements.

During the reporting period, Core entered into a binding lithium Offtake Agreement, a conditional US\$20 million Prepayment Agreement and a \$2m Placement for its 100% Finniss Lithium Project near Darwin in the Northern Territory.

Core completed a Preliminary Mining Study into the development of the Grants deposit in 2017, which demonstrated strongly positive outcomes from the development of a simple open pit based on the modest scale Grants Resource.

Since completing its positive Preliminary Mining Study, Core has continued to make solid progress on its path towards DSO production including:

- Binding Offtake Agreement with Yahua (one of China's leading lithium producers);
- \$20M Pre-Payment Facility; with Yahua
- Heads of Agreement for potential future use of Darwin Port facilities export up to 1Mtpa DSO product;
- Lodgement of the Mining Lease Application over Grants;
- Lodgement of the NOI over Grants;
- Environmental baseline studies underway;
- Appointment of Blair Duncan as General Manager Project Development; and
- Acquisition of the Bynoe Lithium Project from Liontown Resources Ltd.

Core is continuing the next regulatory steps and feasibility studies to support the financing and approval the planned development of the Grants deposit.

Core has continued to expand and advance discoveries on its strategic lithium projects in pegmatite provinces in the NT during the reporting period and has a strong diversity of lithium projects with a range of exploration maturities (Figure 1).

Core expects the strongly positive economic outcomes from development of the current modest Resource at Grants to be magnified as more resources are discovered and defined at Finniss.

A Pre-Feasibility Study in respect of the Grants development is continuing, including additional drilling to upgrade the current JORC Resource. The Company expects to report an updated Mineral Resource in Q1 2018 and results of its Pre-Feasibility Study shortly thereafter.

Core’s plan to develop the Finniss Lithium Project is supported by arguably the best logistic chain to China of any Australian Lithium Project being within 25km of Darwin Port - Australia’s nearest port to China.

The Project also has substantial infrastructure advantages, including being close to sealed road, grid power, gas and rail infrastructure and less than a 1 hour drive from the skills, trades, workshops and services in suburban Darwin.

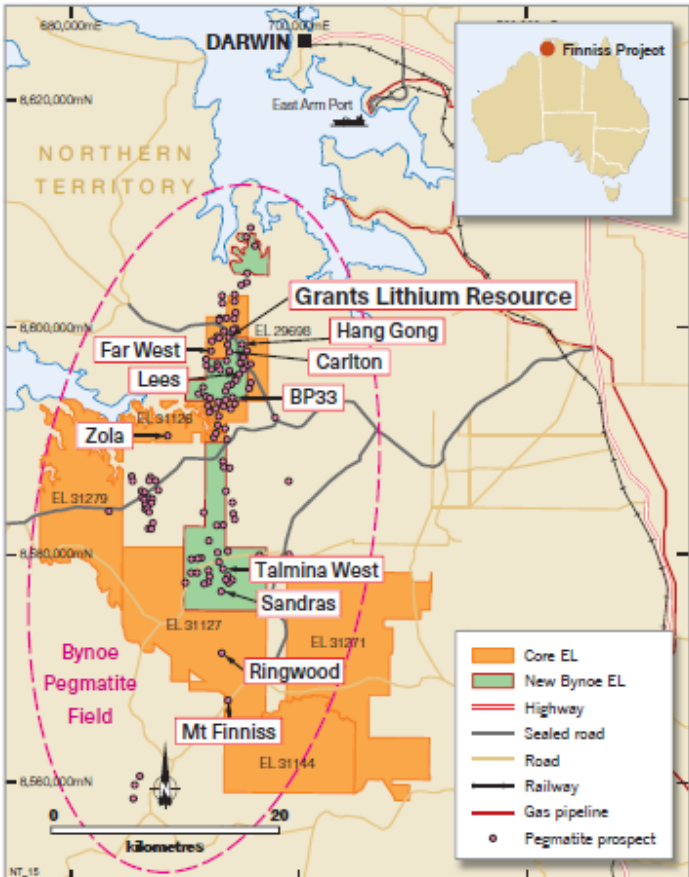


Figure 1. Core’s lithium projects near Darwin in the Northern Territory.

DSO Lithium Offtake Agreement and US\$20 Million Prepayment Agreement and \$2m Placement to Support Development of Finniss Lithium Project

During the reporting period Core entered into a binding lithium Offtake Agreement, a conditional US\$20 million Prepayment Agreement and a \$2m Placement for its 100% Finniss Lithium Project near Darwin in the Northern Territory.

The Offtake and Prepayment Agreements are with one of China's largest lithium producers, Ya Hua International Investment and Development Co. ("**Yahua**"), a wholly owned subsidiary of A\$3Bn market value and Shenzhen-stock exchange listed Sichuan Yahua Industrial Group Co., Ltd.

The signing of the first offtake and prepayment agreements for the Finniss Lithium Project is a significant milestone for Core through our strategic relationship with Yahua.

These agreements are a strong endorsement of the Finniss Lithium Project and gives substantial clarity on project funding for Core as the Company embarks on the plan to rapidly transition into lithium production, with a view to generating early cashflow that can fund our ultimate goal of becoming a long-term supplier of spodumene and lithium products to the growing lithium battery market.

The Offtake Agreement

The Offtake Agreement is for the supply of 1 million dry metric tonnes of direct shipping lithium ore ("DSO") from the Mineral Lease that contains the Grants lithium deposit. The Mineral Lease application, and was applied for in mid-October 2017, and sits within Core's 100% owned granted Exploration Licences near Darwin.

The Offtake Agreement provides for attractive pricing linked to the market for 6% lithium concentrate, but subject to a price floor and ceiling.

In the event that Core elects not to produce a DSO product, but instead takes the product through to a value-added lithium concentrate, the Offtake Agreement provides for Yahua and Core to negotiate in good faith to agree any necessary amendments to reflect the production of lithium concentrate rather than DSO.

The Prepayment Agreement

Pursuant to the Prepayment Agreement that has been executed with Yahua, subject to the satisfaction of various conditions precedent, Yahua has agreed to provide a US\$20 million prepayment to Core to be used for the development of the Grants lithium deposit. The prepayment will be offset by Core through the delivery of either DSO or Li₂O concentrate production from the Finniss Lithium Project or cash payment.

Core will be able to access the prepayment in three tranches, subject to its satisfying various conditions precedent, including the grant of a Mining Licence and receipt of all necessary

regulatory approvals to commence mining, a decision to mine being made by no later than 31 December 2019, the granting of a mining mortgage over the Grants Mining License and the completion of a Feasibility Study that demonstrates a Measured and Indicated Mineral Resource of at least 1Mt and supports a Net Present Value of greater than US\$20 million for the development of the Grants Lithium Deposit.

\$2M Placement

Yahua, one of China’s largest lithium producers, has become a significant shareholder in Core (approx. 7% 31/12/2017) by completing the second tranche of the \$2M placement to Yahua during the reporting period.

The fundamental objective of both Core and Yahua is to develop the Finniss Lithium Project as rapidly as possible. Core is aiming to commence generating early cashflow from its Finniss Project and take advantage of the current strong offtake pricing available, and Yahua can take delivery of high grade lithium material to utilise in its lithium refineries in China.



Figure 2. 8.10% Li₂O Spodumene Concentrate from HLS Testwork on Grants.

Core Applies for Mineral Lease (ML) and Notice of Intent (NOI) to Develop Lithium Mine at Grants

During the reporting period Core applied for a Mineral Lease (“ML”) with the Department of Primary Industry and Resources (“DPIR”) and lodged its Notice of Intent (“NOI”) with the Northern Territory Environment Protection Authority (“NT EPA”), over its 100 per cent owned Grants Lithium Deposit, one of Australia’s highest grade lithium deposits.

Core is focussed on developing the Grants Lithium Deposit which is located close to Darwin’s key support and logistics infrastructure. Results from the initial high-grade Resource and preliminary mining study have highlighted the strong positive outcomes for the potential development of Grants.

The ML application is for the mining and development of the Grants Lithium Project and is a significant milestone for the Company.

The NOI is the key environmental approval step required for the development of the Grants lithium mine and is the next milestone in the approvals process following the lodgement of the Mineral Lease application for Grants.

The NOI details the size, scope and environmental considerations and strategies to minimise environmental impacts of the project to the NT EPA. The NT EPA will then deem if the project requires assessment under the Environmental Assessment Act.

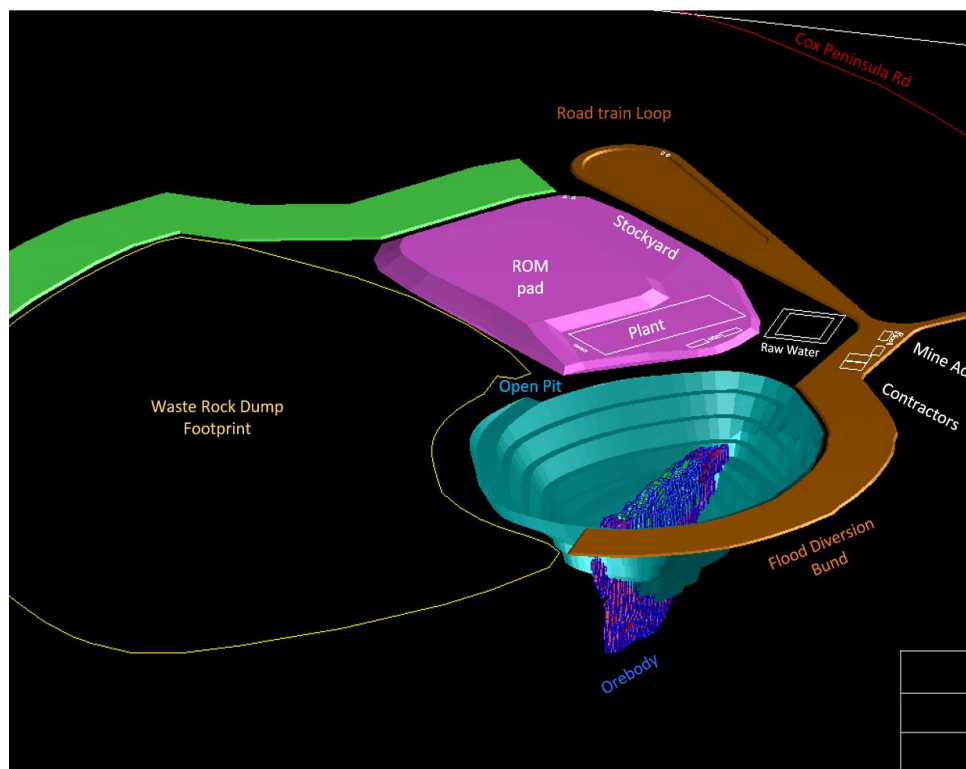


Figure 3. Conceptual Mine and Development Design, Grants Lithium Project , NT.

The Grants Lithium Project is to comprise an open pit, waste rock dump, ore stockpile and processing infrastructure. The initial deposit contains an estimated 1.8 million tonnes of high grade spodumene, the standard lithium mineral used by the lithium industry as a feedstock for lithium chemicals to produce a range of end products including contributing to the production of lithium ion batteries. Core intends to ship the lithium product from Darwin Port to customers in China to meet their growing demand for lithium and fuel the renewable energy boom.

To support the development of Grants, Core has a Heads of Agreement with Darwin Port to export up to one million tonnes per annum of ore from East Arm Wharf. The Company also recently announced the signing of a framework agreement to negotiate a DSO offtake agreement with leading Chinese lithium producer Sichuan Yahua Industrial Group Co. Ltd.

Core will continue to liaise with the key stakeholders, including relevant government agencies, during the approvals process.

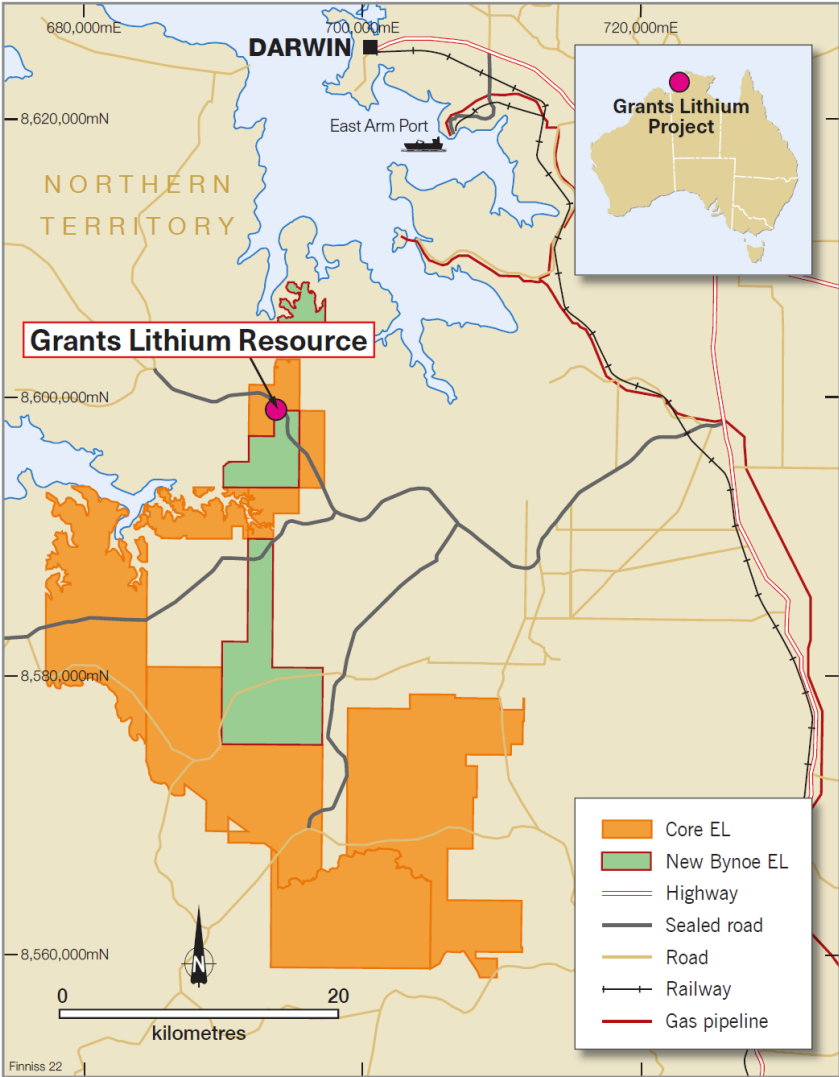


Figure 4. Grants Lithium Resource near Darwin, NT.

New Bynoe Lithium Project Acquisition from Liontown Resources

(Core acquiring 100% of MLN 16, EMP 28651, EL 29699, EL 30012, EL30015 from Liontown.)

During the reporting period, Core successfully completed the acquisition of the Bynoe Lithium Project directly adjacent to Core's Finnis Lithium Project in the NT near Darwin from Liontown Resources Ltd (ASX:LTR).

Core's successful combination of the two leading lithium projects (Finniss and Bynoe) in the Northern Territory marks a key commercial milestone in building an expanded lithium project in an ideal location to service accelerating global demand.

The new Bynoe acquisition provides a large number of additional lithium pegmatite targets and more than 50 historic pegmatite prospects to Core's portfolio and also includes a granted Mineral Lease, Extractive Mineral Permit and three Exploration Licences. The Mineral Lease (ML) is over historic tin mining and concentrate operations once operated by Greenbushes, 1km from Grants, and provides Core with an opportunity to potentially expedite development and expand capacity for spodumene production.

The Finnis and new Bynoe Lithium Projects cover a combined area over 500km² of granted tenements near Darwin. Early results confirmed that primary, ore grade lithium mineralisation is widespread within the Bynoe Project, highlighting the prospectivity of the tenements, with numerous highly prospective pegmatites yet to be drill tested.

Core commenced exploration work and drilling programs during the reporting period on the new Bynoe tenements targeted at expanding on the widespread lithium mineralisation highlighted by LTR's early results.

Core's aspiration is to build on the early development of the high-grade Grants Resource and build a substantive resource holding upon which to base long term supply of spodumene DSO, concentrate and lithium products leveraging the logistics, infrastructure, technologies and skills advantages provided by a capital city within 1 hour's drive.

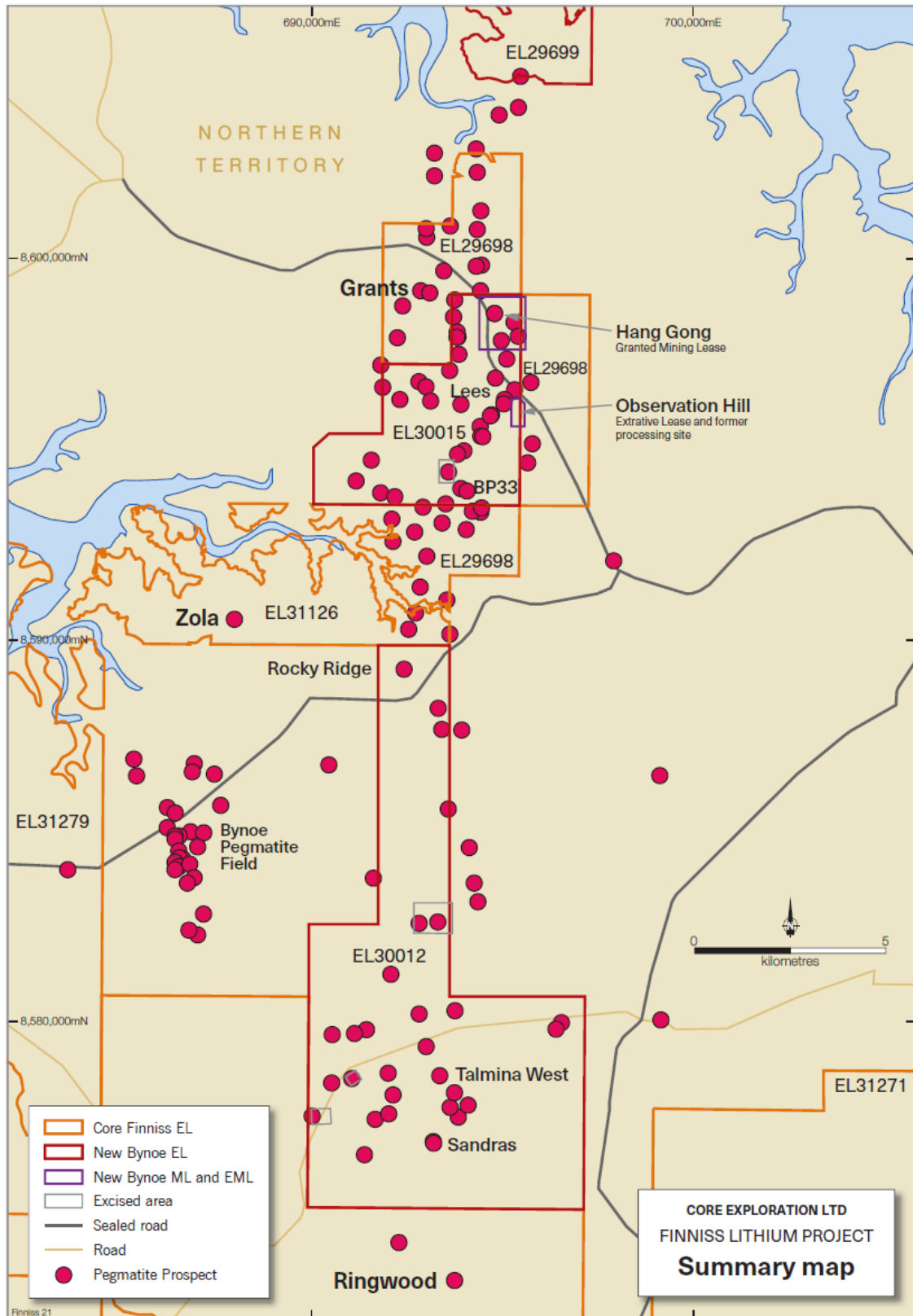


Figure 5. Core's new Bynoe and Finniss Lithium Project Tenements and distribution of pegmatite prospects near Darwin, NT.

Wide High-Grade Lithium Drill Intersections at BP33

During the reporting period drilled wide high grade spodumene intersections at Core’s 100% owned high grade BP33 pegmatite.

High-Grade Lithium drill assays received from drilling at BP33 include:

- o 62m @ 1.24% Li₂O from 66m in FRC104
- o 54m @ 1.42% Li₂O from 101m in FRC103

BP33 is located on the Company’s newly acquired Bynoe lithium project near Darwin. Core’s new assays reflect the widest pegmatite intervals that have ever been drilled at BP33, and amongst the widest spodumene bearing intersections ever drilled in the Northern Territory.

At the northern end of BP33, these new results have extended the high grade spodumene intersection in FRC 104 to **62m @ 1.24% Li₂O** from 66m-128m downhole.

New assay results from BP33 include an outstanding intersection of **54m @ 1.4% Li₂O** in spodumene pegmatite from 101m in RC Drillhole FRC103.

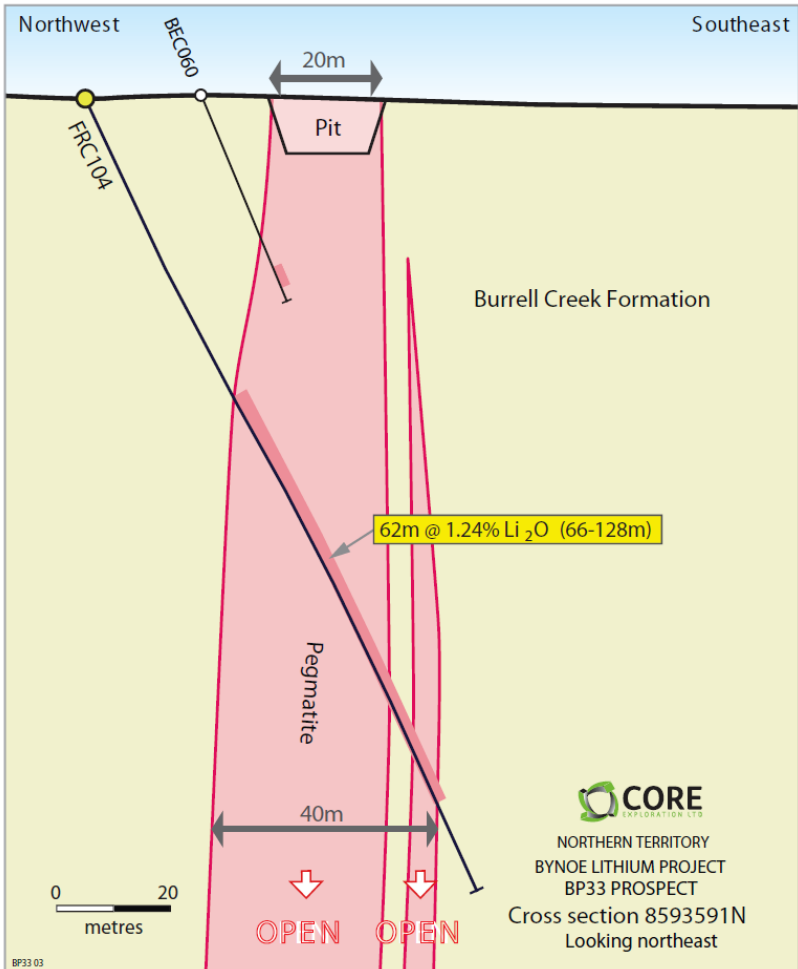


Figure 6. Drill cross-section at northern extent of Core’s RC drilling to date at BP33.

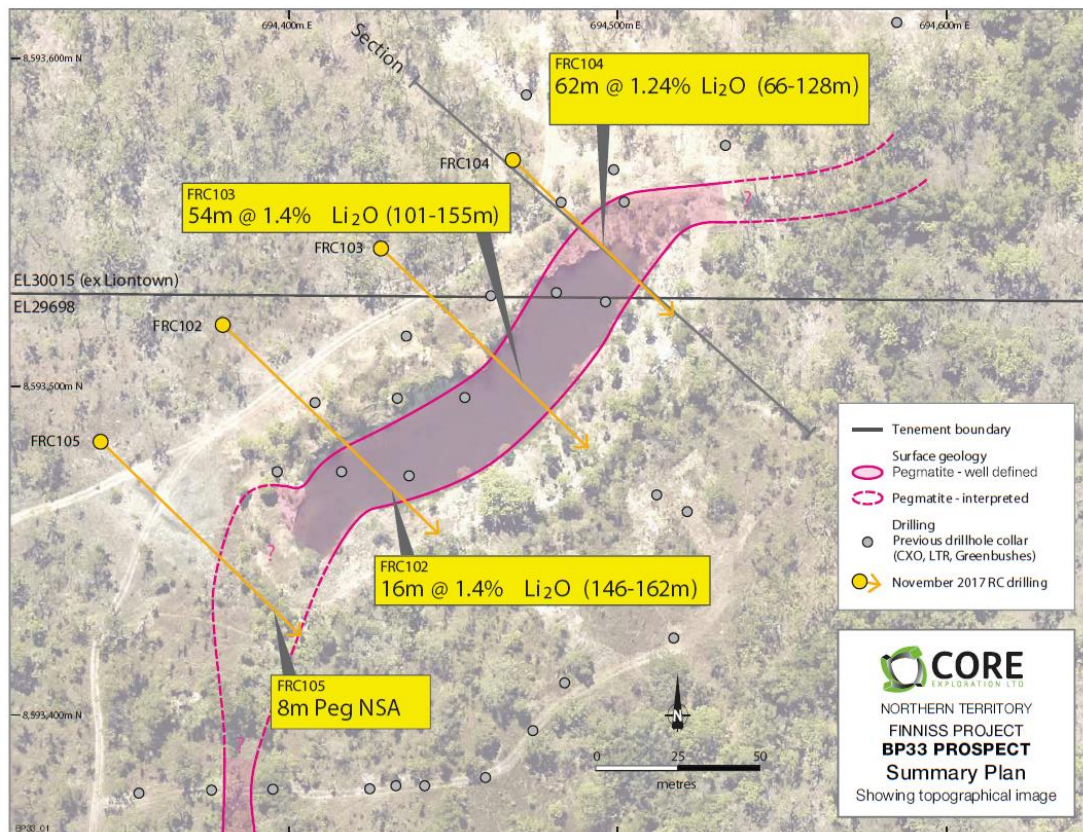


Figure 7. Drill locations and tenement boundary mid-way through BP33 Pegmatite.

A 36m intersection grading 0.74% Li_2O from 73m was received for hole FRC102 (0.1% cut-off), including a high-grade intersection **16m @ 1.40% Li_2O** from 146m. However, poor sample return and contamination was noted during drilling of FRC102m, which is interpreted to have smeared and diluted the lithium assays. Core is planning to re-drill nearby to this hole with diamond core to confirm geology with the assay grade.

Results from the recent RC drilling also confirm that BP33 pegmatite is open along strike both to the north and to the south and is thicker at depth than expected (*Figure 7*).

Core's new assay drill results have confirmed the revised cross section (*Figure 6*) that suggests a down-dip doubling of true thickness of the spodumene pegmatite in the north of BP33 (20m at surface vs 40m at depth). On this basis, the Company believes that an alternate geometrical/structural scenario may exist more broadly to the north and will address this via further drilling.

Previous drilling by Core at BP33 was hindered by the location of the historic tenement boundary approximately mid-way through the deposit. With Core recently acquiring 100% of the adjoining tenements, it now can fully explore the BP33 deposit without the complications of the previous disjointed ownership.

Significant Widths and Lithium Grades of Spodumene-Rich Pegmatite Intersected at Sandras

New assay results were received during the reporting period from multiple drill intersections confirm the potential of the 100%-owned Sandras Prospect to host high-grade spodumene pegmatite.

New High-Grade Lithium drill assays received from the recent RC drilling at Sandras Prospect include:

- 27m @ 1.45% Li₂O from 195m in SRC006
 - including **7m @ 2.13% Li₂O from 201m.**
- 38m @ 1.08% Li₂O from 94m in SRC002
 - including **8m @ 1.86% Li₂O from 95m**
- 19m @ 1.28% Li₂O from 106m in SRC008

These results from the first drilling program undertaken at Sandras by Core demonstrate the potential for pegmatites other than BP33 and Grants within the Finniss and Bynoe Lithium Projects to have significant spodumene grades and thicknesses.

Sandras is located on the Company's newly acquired Bynoe Lithium Project on adjacent tenements to those that host the Grants Lithium Resource and BP33 spodumene pegmatite near Darwin (*Figure 5*).

New assay results from Sandras include 27m @ 1.45% Li₂O from 195m in SRC006 including 7m @ 2.13% Li₂O from 201m, 38m @ 1.08% Li₂O from 94m in SRC002 including 8m @ 1.86% Li₂O from 95m and 19m @ 1.28% Li₂O from 106m in SRC008 including 5m @ 1.89% Li₂O from 111m (refer *Table 1*).

The very high grade intervals of 7m @ 2.13% Li₂O at Sandras are in line with those at Grants and BP33. Core's new assays reflect the highest grade intervals that have ever been drilled at Sandras.

Recent assay results confirm that spodumene grades increase with depth at Sandras (*Figure 9*) and support the concept of a southerly plunge to the spodumene pegmatite body (*Figure 8*). RC Drillhole SRC005 unfortunately terminated at 161m, prior to reaching the target depth, due to poor drilling conditions. Drilling to test this southerly plunge model via a diamond drill core tail is planned in 2018.

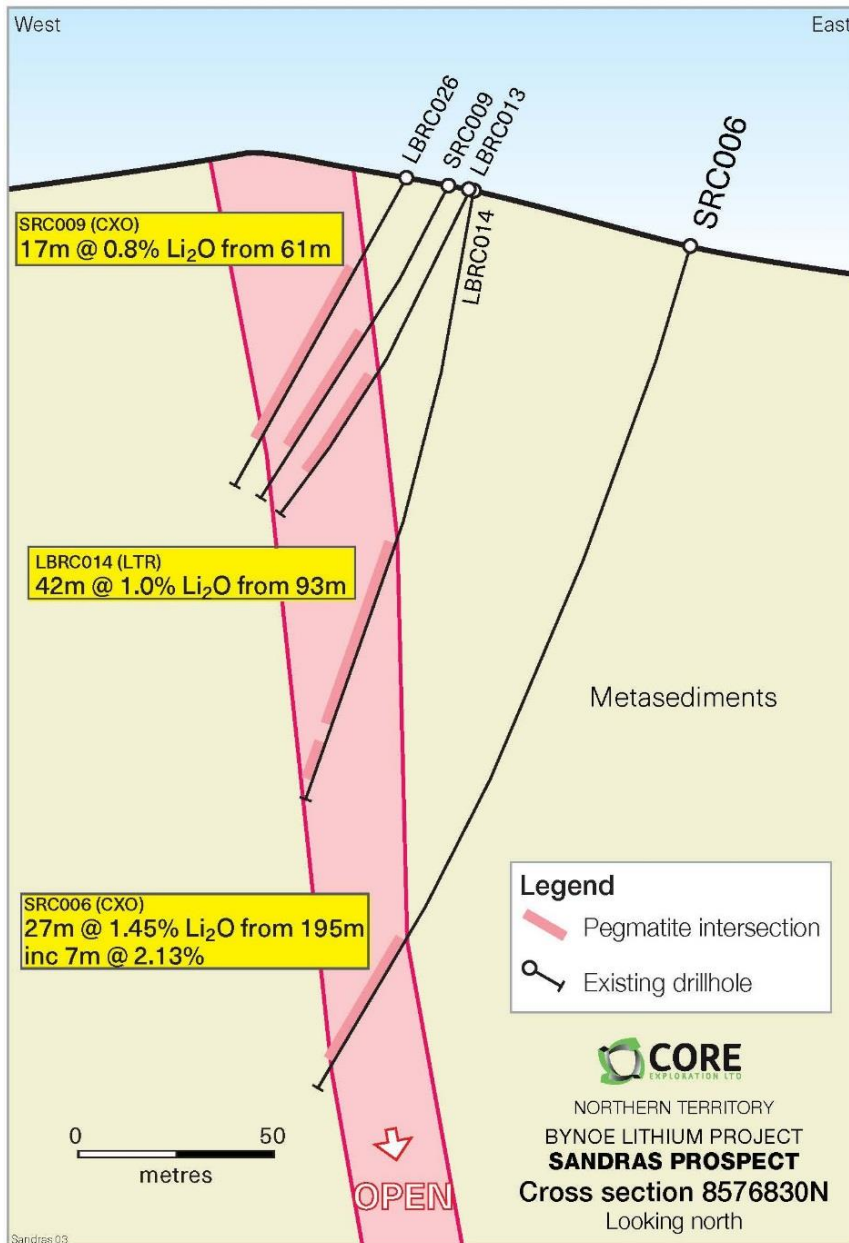


Figure 8. Drill cross-section showing Core's RC drilling results at Sandras, downdip from previous LTR drilling.

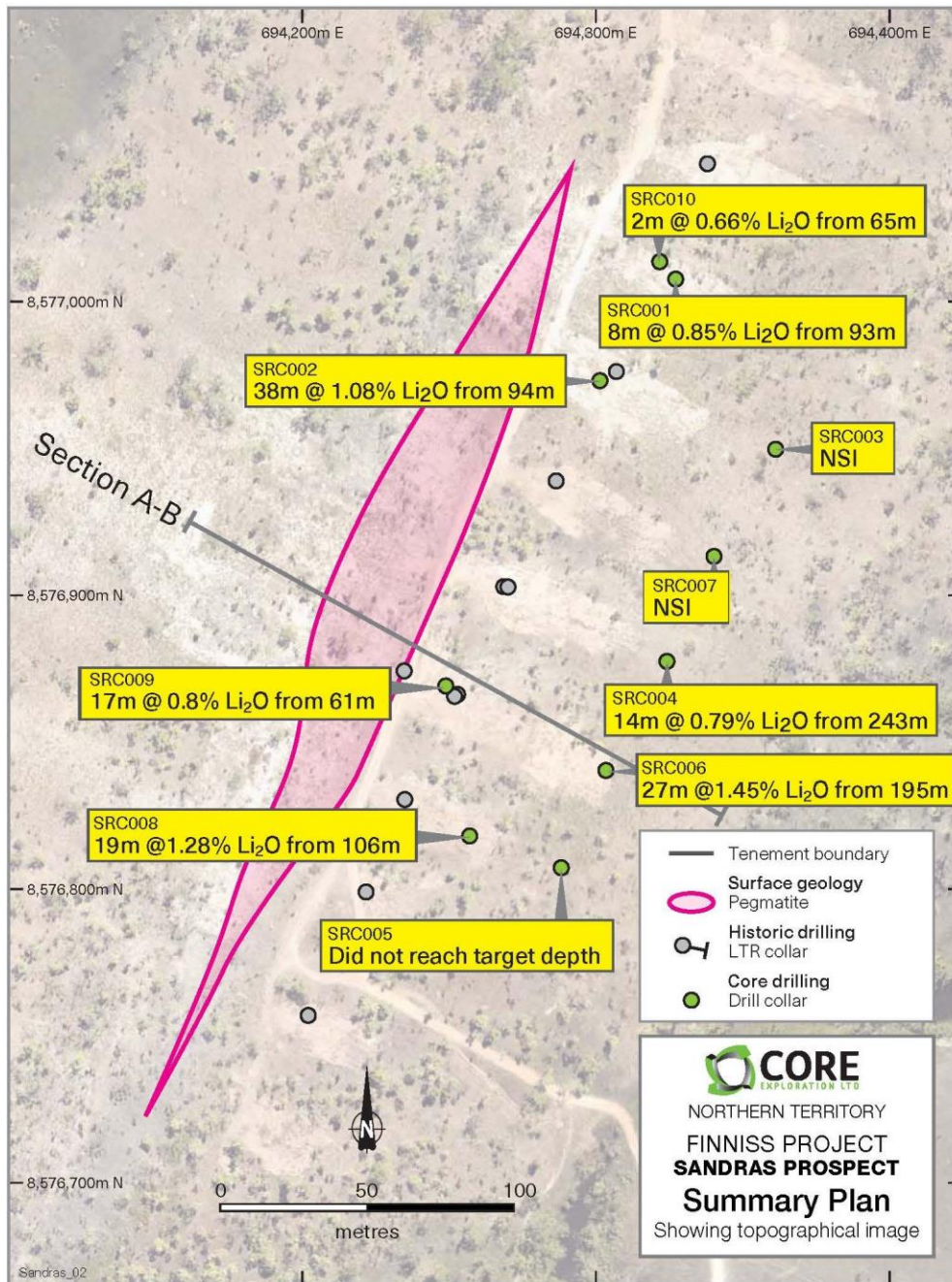


Figure 9. Drill locations at the Sandras BP33 Pegmatite.

Proposed Activities Next Quarter

FINNISS and BYNOE LITHIUM PROJECT, NT

Grants Mineral Lease

Feasibility, Engineering and Environmental studies will continue at Grants during the next quarter to support planning and design of early development approvals for Grants as a potential DSO Spodumene Mining Project.

A second-phase of Resource upgrade drilling is planned to commence shortly at Grants to increase the proportion of the Resource in higher confidence category on which to base and publicly report the outcomes of Core's ongoing feasibility studies and economic modelling for the potential mining and development of Grants.

Core will continue to work through the required Northern Territory Government regulatory processes to facilitate operational approval for the development, mining and beneficiation of spodumene pegmatite at Grants.

BP33

Resource diamond core drilling is now underway at BP33 and will continue in early February 2018.

The diamond drilling is aimed at defining the continuity of grade and scale of the spodumene mineralisation at BP33 and the drill core will also provide valuable information that may be used for metallurgical testwork and resource evaluation at BP33.

The first drill assays from the diamond drill core at BP33 are expected in late January 2018.

Sandras

The recently received drilling results at Sandras will be assessed in early 2018 to undertake a preliminary evaluation of the size and continuity of spodumene mineralisation at Sandras.

Step-out RC and diamond core drilling are the next steps planned at Sandras in the 2018 field season.

Other Prospects

Core is awaiting assays from a number of targets that were tested by an RC drilling program in December 2017 that include Lees, Booths, Hang Gong and Carlton.

Corporate

CASH POSITION

Core currently has a cash position of \$4.58 million.

Exploration and evaluation expenditure by the Company during the December 2017 Quarter was \$1.66 million.

A once-off cash payment of \$1.50 million was made to Liontown Resources (ASX:LTR) as part of the acquisition cost on successful completion of the Bynoe Lithium Project during the December 2017 Quarter.

EXPLORATION TENEMENTS

During the quarter, Core relinquished tenements EL27369 and EL29512; acquired EL29699, EL30012, EL30015, MLN16 and EMP28651 from Liontown Resources Ltd (ASX:LTR); applied for Mining Lease Application MLA31726 and was granted tenement EL 6038.

SHARE CAPITAL CHANGES

Ordinary Shares and Options

During the quarter 16,700,000 shares were issued under a placement on 27 November 2017 at 6 cents per share raising \$1.02 million.

A further placement of 39,232,025 shares was made to Liontown Resource Ltd (ASX:LTR) as consideration for the acquisition of exploration licences and a mining lease adjacent to the Finniss Lithium Project.

2,900,000 unquoted performance rights and 1,500,000 unquoted options were issued to executives and employees of the company under Core's Performance Share Plan and Share Option Plan. A further 1,200,000 unquoted performance rights lapsed where the performance hurdles were not met.

A summary of movements and balances of equity securities between 1 September 2017 and this report are listed below:

	Ordinary shares	Unquoted options	Unquoted performance rights
On issue at start of the Quarter	440,388,835	5,000,000	5,100,000
Acquisition of LTR tenements	39,232,025	-	-
Share placement	16,700,000	-	-
Issue of remuneration securities	-	1,500,000	2,900,000
Lapse of performance rights	-	-	(1,200,000)
Total securities on issue at the date of this report	496,320,860	6,500,000	6,800,000

COMPETENT PERSON STATEMENT

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.

This report includes results that have previously recently been released under JORC 2012 by the Company as "Core Defines First Lithium Resource in the NT" on 8 May 2017. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions and technical parameters underpinning the Mineral Resource continue to apply and have not materially changed. Other results that have previously recently been released under JORC 2012 by Core are listed in the table below:

09 Oct 2017	CXO Core Applies for Mineral Lease to Develop Lithium Mine
31 Oct 2017	CXO Yahua and Core Extend Placement and Offtake Agreement
07 Nov 2017	CXO Successfully Completes Acquisition of Bynoe Lithium Project
09 Nov 2017	CXO Applies for Approval to Develop High-Grade Lithium Deposit
16 Nov 2017	CXO Widest Spodumene Pegmatite Intersections at BP33
20 Nov 2017	CXO Bynoe Lithium Project Drilling Update
27 Nov 2017	CXO Wide High-Grade Lithium Drill Intersections at BP33
01 Dec 2017	CXO Core Enters into Lithium Offtake and Prepayment Agreements
13 Dec 2017	CXO New Assays Extend BP33 Intersection
19 Dec 2017	CXO Significant Widths and Grades of Spodumene at Sandras

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 5015	Yerelina	100%	None
EL 5192	Calcutta	100%	None
EL 5375	Billy Springs	100%	None
EL 5809	Mt Lyndhurst	100%	None
EL 6038	Mt Freeling	100%	Newly granted
Northern Territory			
EL 27369	Mt Russell	100%	Relinquished
EL 27709	Pattersons	100%	None
EL 28029	White Range East	100%	None
EL 28136	Blueys	100%	None
EL 28940	Mordor	100%	None
EL 29347	Yambla	100%	None
EL 29389	Mt George	100%	None
EL 29512	Daicos	100%	Relinquished
EL 29579	Jervois	100%	None
EL 29580	Jervois	100%	None
EL 29581	Jervois	100%	None
EL 29669	Jervois	100%	None
EL 29689	Riddoch	100%	None
EL 30669	Ross River	100%	None
EL 30793	McLeish	100%	None
EL 29698	Finniss	100%	None
EL 29699	Bynoe	100%	Acquired from LTR
EL 30012	Bynoe	100%	Acquired from LTR
EL 30015	Bynoe	100%	Acquired from LTR
EMP28651	Bynoe	100%	Acquired from LTR
MLN16	Bynoe	100%	Acquired from LTR
EL 31058	Barrow Creek	100%	None
EL 31126	Bynoe	100%	None
EL 31127	Bynoe	100%	None
EL 31139	Anningie West	100%	None
EL 31140	Anningie South	100%	None
EL 31145	Barrow Creek North	100%	None

EL 31146	Barrow Creek South	100%	None
EL 31271	Bynoe	100%	None
EL 31279	Sand Palms	100%	None
MLA31726	Grants Mineral Lease	100%	Mining Lease 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

80 146 287 809

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,664)	(3,622)
(b) development	-	-
(c) production	-	-
(d) staff costs (net of capitalised expenditure)	(109)	(247)
(e) administration and corporate costs	(188)	(505)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	27	63
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	64
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(1,934)	(4,247)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(25)	(27)
(b) tenements (see item 10)	(1,500)	(1,500)
(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	(1,525)	(1,527)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,002	2,004
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	740	2,294
3.4 Transaction costs related to issues of shares, convertible notes or options	(10)	(70)
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 – share subscriptions received	(740)	-
3.10 Net cash from / (used in) financing activities	992	4,228

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 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	7,044	6,123
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,934)	(4,247)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,525)	(1,527)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	992	4,228
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	4,577	4,577

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	2,577	2,544
5.2 Call deposits	2,000	4,500
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)	4,577	7,044

6. Payments to directors of the entity and their associates

Current quarter \$A'000
96
-

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

The amount above includes all payments to Directors and also includes payments to entities associated with 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	1,700
9.2	Development	-
9.3	Production	-
9.4	Staff costs	150
9.5	Administration and corporate costs	200
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	2,050

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	EL 27369	Relinquished	100%	0%
		EL 29512	Relinquished	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	EL 29699	Acquired from Liontown Resources Ltd	0%	100%
		EL 30012		0%	100%
		EL 30015		0%	100%
		MLN16		0%	100%
		EMP28651		0%	100%
		MLA31726	Mining Lease Application	0%	100%
		EL 6038	Granted	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:



Company secretary

Date: 25 January 2018

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.