

29 July 2016

**QUARTERLY ACTIVITIES REPORT  
FOR THE PERIOD ENDED 30 JUNE 2016**

**HIGHLIGHTS**

- **MT ALEXANDER PROJECT:**
  - **Completion of St George's maiden drill programme at Mt Alexander which tested targets in the Cathedrals Belt**
  - **Further nickel-copper sulphide mineralisation discovered at the Cathedrals Prospect**
  - **New discovery of massive-nickel copper sulphides at the first ever drilling at the Stricklands Prospect**
  - **Strong electromagnetic (EM) conductors identified at the unexplored Investigators Prospect and prioritised for drilling**
  
- **EAST LAVERTON PROJECT:**
  - **Large gold drill programme commenced at the Ascalon and Bristol gold prospects**
  - **Additional gold targets assessed and prioritised for drilling**
  - **Further modelling completed of the very strong EM conductor (+200,000 Siemens) at the Windsor nickel prospect ahead of further drilling**
  
- **CORPORATE:**
  - **Heavily over-subscribed share purchase plan raises \$1,392,300**

**St George Mining Limited (ASX:SGQ)** ("St George" or "the Company") is pleased to present its Quarterly Activities Report for the quarterly period ended 30 June 2016.

**MT ALEXANDER PROJECT – FURTHER DISCOVERIES OF HIGH GRADE NICKEL-COPPER SULPHIDES**

St George commenced its maiden diamond drill programme at Mt Alexander on 18 April 2016 to test multiple electromagnetic (EM) anomalies at the Cathedrals and Stricklands Prospect within the Cathedrals Belt. Eleven drill holes were completed for 1,425m drilled.

The drilling has been successful in delivering a number of significant milestones with:

- Nickel-copper sulphide mineralisation intersected in every EM conductor drill tested
- The discovery of further high grade nickel-copper sulphides at the Cathedrals Prospect where BHP Billiton had made an initial discovery in 2008
- The new discovery of massive nickel-copper sulphides in the first ever drilling at the Stricklands Prospect
- Confirmation that the mineral system at Mt Alexander is larger than previous drilling had indicated with St George achieving multiple intersections of high grade nickel-copper sulphides at two prospects over a strike length of more than 1.5km

Laboratory assays have confirmed high grades for the mineralisation intersected in the drilling. Table 1 contains details of significant intersections at the Cathedrals Belt. The exceptional intersection in MAD15 highlights the high grade mineralisation with **1.17m @ 8.75%Ni, 3.37%Cu, 0.24%Co and 6.16g/t total PGEs** from 30.17m.

The tenor of the massive nickel sulphide mineralisation in MAD15 is very high at 9.5%Ni. Together with the associated high copper, cobalt and very high PGEs, this mineralisation is likely to produce a clean and high value concentrate.

The combination of mineralisation at shallow depth (from 30m) and high grades, as well as proximity to existing infrastructure and processing plants, is likely to be very favourable for the potential economics of the Project.

Downhole EM (DHEM) surveys were carried out in the completed drill holes and have identified several strong off-hole EM conductors that warrant testing. These off-hole conductors may represent potential extensions to mineralisation intersected in the drill holes or new mineralisation around existing drill holes.

St George completed a surface moving loop EM (MLEM) survey at the previously unexplored Investigators Prospect in the western portion of the Cathedrals Belt. Three EM conductors identified from this MLEM survey have been prioritised for testing in the drill programme that commenced in early July 2016.

Each of these three new conductors at Investigators has a discrete EM response which is consistent with a bedrock conductor that may represent massive sulphides.



*Figure 1 – **on left:** photograph of drill core from MAD15 interval between 30.17m to 31.34m. Core comprises massive nickel-copper sulphides (pentlandite, chalcopyrite) with **8.75%Ni, 3.37%Cu, 0.24%Co and 6.16g/t total PGEs**; **on right:** drill core from MAD22 with massive chalcopyrite (yellow-green) in contact with ultramafic (dark grey). Assays for this interval (52.4m to 52.63m) returned 13.1%Cu and 43g/tAg.*

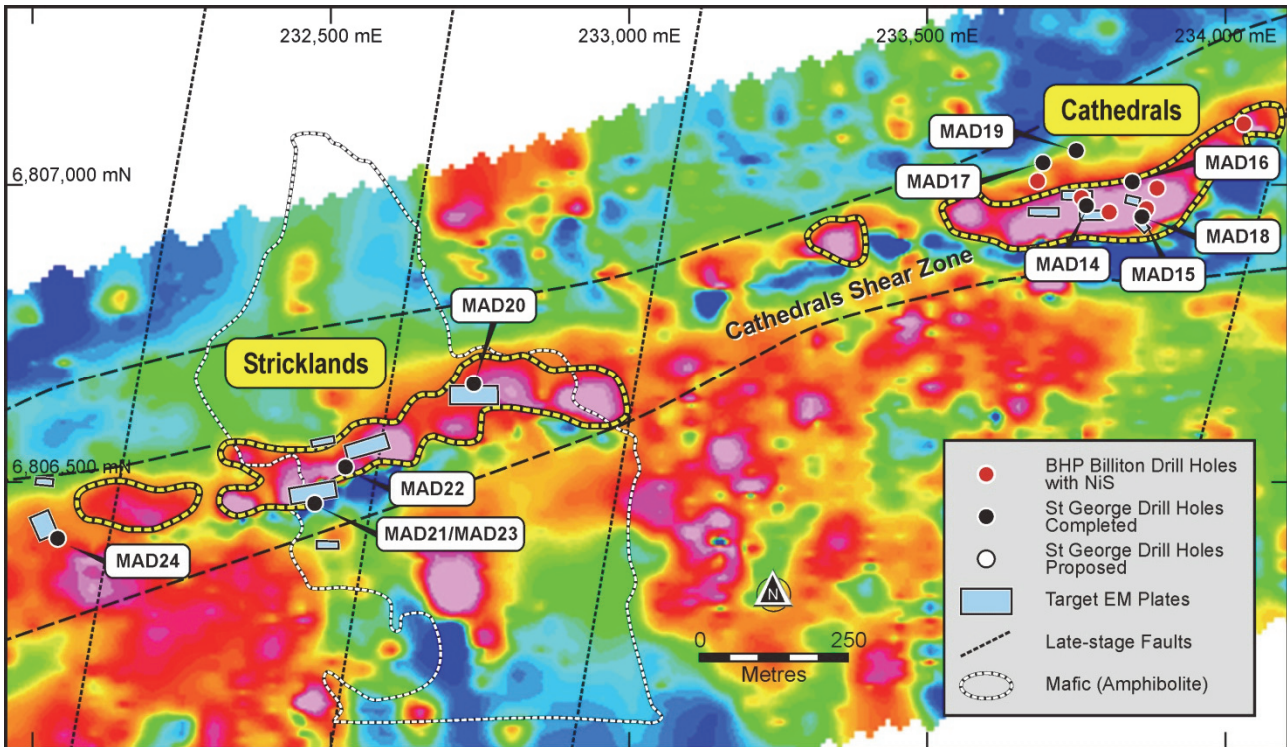


Figure 2 – a plan view of the Cathedrals and Stricklands Prospects over TMI magnetics showing the EM conductors and the drill hole collar locations in the recently completed programme.

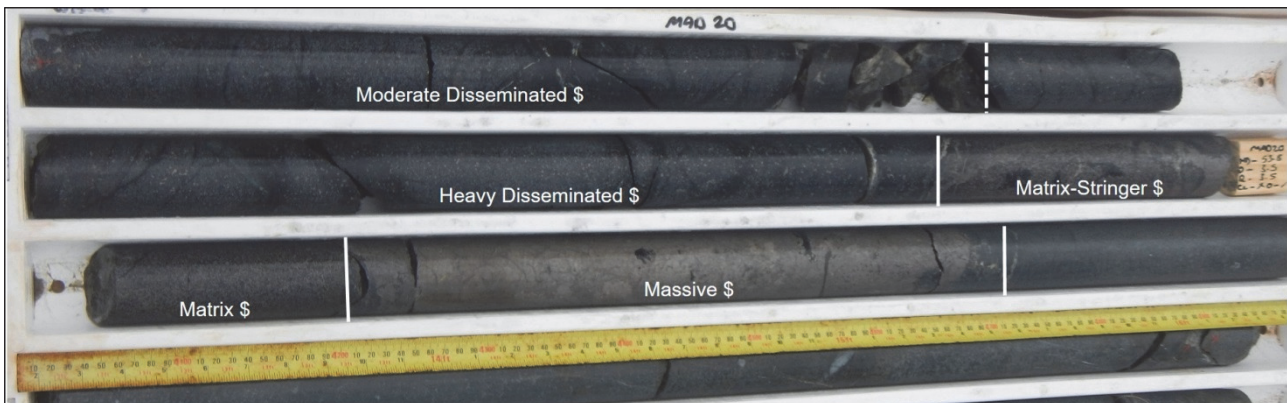


Figure 3 – photograph of drill core from MAD20, the first drill hole completed at Stricklands and which discovered massive nickel-copper sulphides at this previously untested prospect. Gradation of moderate to strong disseminated sulphide mineralisation into matrix and then massive sulphides, hosted in ultramafic on contact with mafic (amphibolite) is typical of many Kambalda-style nickel sulphide deposits. The matrix-massive sulphide intersection assayed 0.93m @ 2.5%Ni, 0.68%Cu, 0.16%Co and 1.1g/t PGEs.

Hole ID	GDA94 East	GDA94 North	Dip	Azim	Depth (m)	From (m)	To (m)	Width (m)	Ni%	Cu%	Co%	Total PGEs g/t	Au g/t	Ag g/t
MAD12	233885	6806995	-70	170	111.5	81.5	90.75	9.25	0.76	0.34	0.03	0.93	0.12	NA
<i>Including</i>						81.5	81.6	0.1	6.02	3.14	0.15	3.73	0.18	NA
MAD12	233885	6806995	-70	170	111.5	91.4	95.35	3.95	5.05	1.55	0.11	4.44	0.15	NA
<i>Including</i>						93.9	95.35	1.45	6.81	2.27	0.12	7.72	0.31	NA
MAD12	233885	6806995	-70	170	111.5	101	102.6	1.60	0.41	0.11	0.02	0.42	0.05	NA
MAD13	233805	6806955	-70	170	93.3	47.5	57.25	9.75	0.34	0.11	0.01	0.30	0.03	NA
MAD13						57.25	59.3	2.05	5.78	2.33	0.18	3.93	0.08	NA
<i>Including</i>						57.6	59	1.4	7.10	2.94	0.23	4.20	0.07	NA
MARC48	233868	6806960	-60	177	82	26	30	4	0.40	0.11	0.02	NA	NA	NA
MARC49	233759	6806979	-55	182	142	58	60	2	0.58	0.26	0.02	NA	NA	NA
MARC49						60	66	6	3.33	1.53	0.12	1.83	0.18	NA
MARC55	233685	6807007	-61	180	202	62	64	2	0.38	0.12	0.01	0.34	0.03	NA
MARC63	235537	6807318	-60	181	124	28	30	2	0.38	0.24	0.02	0.33	0.03	NA
MARC65	234031	6807103	-60	150	154	18	20	2	0.51	0.23	0.03	0.69	0.06	NA
MAD15	233861.3	6806946.8	-63	184	100	27.5	30.17	2.67	0.92	0.58	0.03	1.88	0.22	3.43
MAD15						30.17	31.34	1.17	8.75	3.37	0.24	6.16	0.02	6.50
MAD15						31.34	31.55	0.21	0.62	0.25	0.02	1.22	0.11	1.50
MAD16	233843.8	6807003.5	-60	180	120	59	61.25	2.25	1.05	0.31	0.04	1.14	0.07	1.66
MAD17	233694.2	6807037	-60	180	201	77	79.3	2.3	0.38	0.17	0.02	0.33	0.05	1.09
MAD17						165.3	171	5.7	1.39	0.55	0.05	1.43	0.12	2.08
<i>Including</i>						169.15	171	1.85	2.61	0.91	0.08	2.02	0.08	2.78
MAD19	233749.5	6807056	-60	180	200	156.75	159.86	3.11	2.61	0.75	0.09	1.96	0.06	2.67
<i>Including</i>						158.73	159.28	0.55	5.91	1.18	0.20	5.61	0.08	3.50
MAD20	232740.4	6806665.6	-75	187	100.1	44.20	53.52	9.32	0.29	0.12	0.02	0.27	0.03	0.29
MAD20						53.52	54.45	0.93	2.50	0.68	0.16	1.10	0.03	1.54
MAD22	232525.9	6806526.9	-60	40	138.9	41.9	49.85	7.95	0.55	0.30	0.02	0.58	0.06	1.48
MAD22						49.85	52.63	2.78	1.62	2.51	0.07	1.88	0.17	8.44
<i>Including</i>						52.4	52.63	0.23	0.90	13.10	0.04	3.94	0.16	43.00
MAD22	232525.9	6806526.9	-60	40	138.9	52.63	53.72	1.09	0.46	0.27	0.02	0.98	0.07	1.00
MAD23	232470.3	6806468.9	-60	355	124.3	53.7	57.45	3.75	0.81	0.36	0.04	0.73	0.03	1.35
<i>Including</i>						55.55	57.05	1.5	1.29	0.57	0.06	1.11	0.03	2.00
MAD23	232470.3	6806468.9	-60	355	124.3	57.45	57.7	0.25	4.18	3.40	0.18	4.29	0.11	9.00

*Table 1 - a list of significant intersections from the drilling completed by St George and BHP Billiton in the Cathedrals Belt. (NA denotes not assayed for that element).*

**About the Mt Alexander Project:**

The Mt Alexander Project is located 120km south-southwest of the Agnew-Wiluna belt which hosts numerous world class nickel deposits. The Project comprises three granted exploration licences – E29/638, E29/548 and E29/962.

The Cathedrals nickel-copper discovery as well as the Stricklands and Investigators Prospects are located on E29/638, which is held in joint venture by Western Areas Limited (25%) and St George (75%). St George is the Manager of the Project with Western Areas retaining a 25% non-contributing interest in the Project (in regard to E29/638 only) until there is a decision to mine.

### EAST LAVERTON – GOLD TARGETS

A major drill programme commenced in May 2016 to test priority gold targets at St George’s 100% owned East Laverton Project in Western Australia.

This gold-focused drill programme will initially test two priority targets – Ascalon and Bristol. A total of 2,300m of reverse circulation (RC) drilling is planned in the first phase of this programme with follow-up drilling to be planned subject to drill results.

The Ascalon target has never been drilled. It is situated in a favourable structural setting for gold mineralisation within the thickest part of the Minigwal greenstone belt. Significantly, strong gold anomalism has been identified by shallow reconnaissance drilling to the north-west of the main target area.

The Bristol target has only been tested by shallow drilling with an average drill hole depth of 40m. Many end of hole drill samples had anomalous gold with values up to 2.5ppmAu. The planned drilling by St George will test the bedrock for potential gold mineralisation.

Additional gold targets at the East Laverton Project are being prepared for drilling including the Cambridge North and Athena gold prospects. These targets will be prioritised for testing in the ongoing gold drill programme.

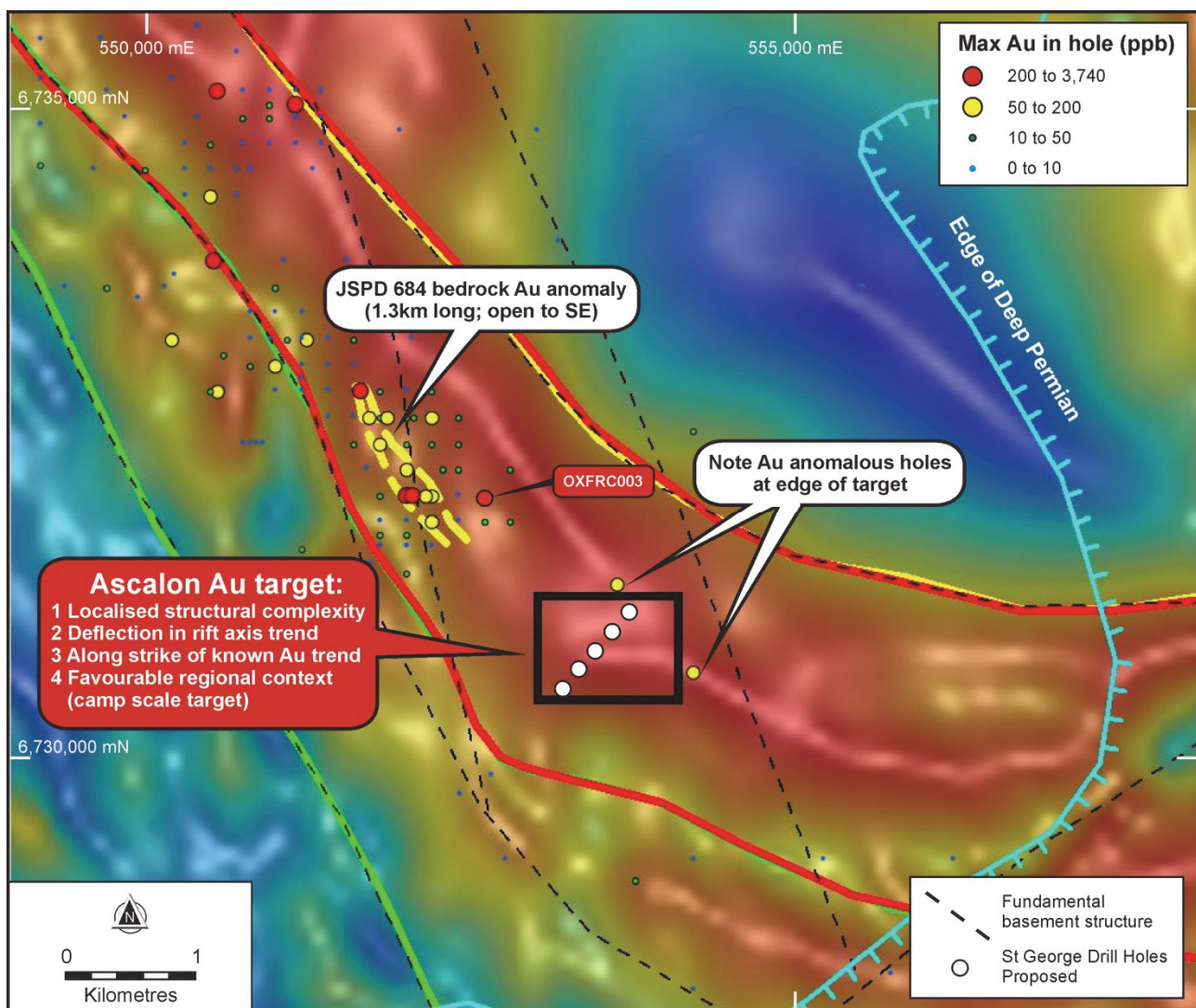


Figure 4 – the Ascalon target shown against Bouguer tilt gravity data with planned drill holes illustrated.

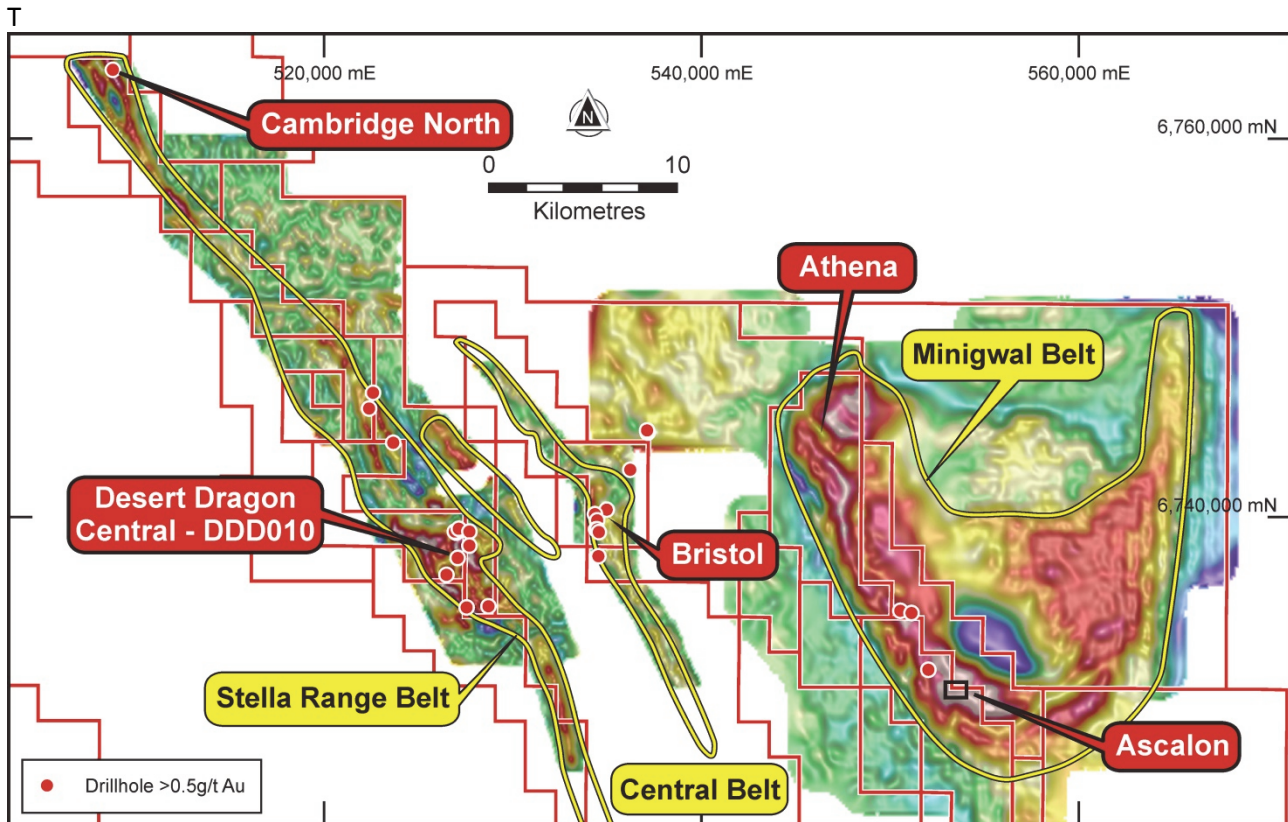


Figure 5 – the East Laverton tenements against FVD Bouguer gravity data with priority gold prospects highlighted. All targets are associated with strong gravity anomalies, which can indicate fundamental structures that are a control on the concentration of gold mineralisation.

#### **EAST LAVERTON – MASSIVE NICKEL SULPHIDE TARGET AT WINDSOR**

A DHEM survey in drill hole WINRC016 identified a strong off-hole EM conductor with an extreme conductivity of 210,469 Siemens. Drill hole WINDD004 was completed in December 2015 to test this conductor.

A further DHEM survey completed in WINDD004 indicated that WINDD004 came close to testing the conductive source but did not intersect it. Modelling of the data from the new DHEM survey confirmed the presence of an extremely conductive off-hole EM anomaly around 95m downhole, on the western contact of the fertile Windsor ultramafic.

Laboratory assays for WINDD004 have confirmed the drill hole intersected a thick high-MgO ultramafic with sporadic nickel sulphide mineralisation, giving further weight that this conductor represents stronger nickel sulphide mineralisation.

The strong EM conductor could represent nickel sulphides that have been mechanically displaced from a larger mineralised body below. Detailed geophysical modelling is ongoing using inversion of magnetic and gravity data. This modelling will map the ultramafic channel and its basal contact, where massive nickel sulphides may have accumulated.

Test drilling at this target will be scheduled for the second half of 2016.

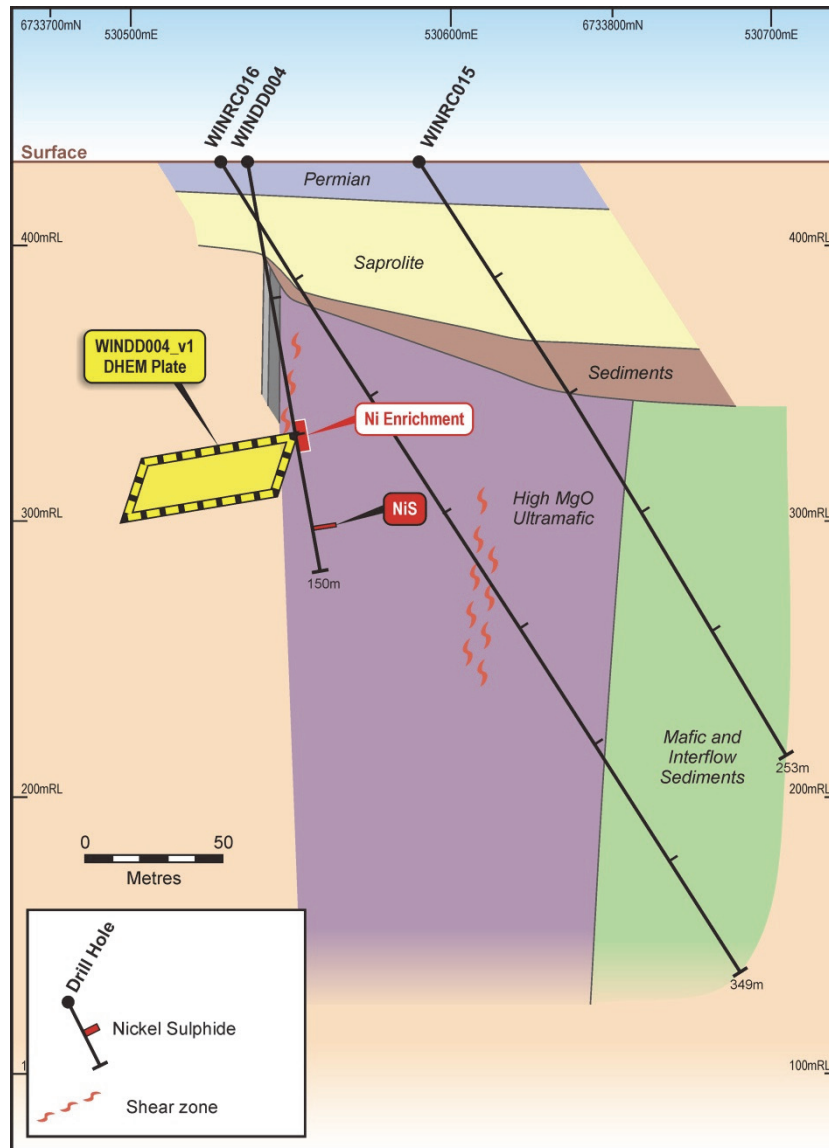


Figure 6 – Interpreted geological cross section of WINDD004, WINRC016 and WINRC015 (+-50m) showing the location of the highly conductive WINDD004\_v1 plate on the western contact of the Windsor ultramafic.

### TENEMENT INFORMATION

There were no changes to the Company’s tenement holdings during the quarter except as outlined below.

#### East Laverton Project

St George Mining has 100% ownership of 27 granted Exploration Licences at the East Laverton Project. One Exploration Licence, E39/1601, was relinquished in May 2016.

#### Lake Minigwal Project

St George Mining has 100% ownership of 3 granted Exploration Licences at the Lake Minigwal Project.

### **Mt Alexander Project**

St George has 100% ownership of two granted Exploration Licences (E29/548 and E29/962) and one application for Exploration Licence (E29/954) at Mt Alexander. A further granted Exploration Licence, E29/638, is held in joint venture between Western Areas (25%) and St George (75%).

### **Hawaii Project**

St George has 100% ownership of one granted Exploration Licence (E36/741) and one application for an Exploration Licence (E36/851) at the Hawaii Project.

## **CORPORATE UPDATE**

### **Heavily Oversubscribed Share Purchase Plan (SPP)**

St George launched a SPP on 1 April 2016 which provided existing shareholders an opportunity to apply for ordinary shares at a \$0.085 each.

The Company allotted 16,380,000 ordinary shares under the SPP at \$0.085 each to raise \$1,392,300.

The SPP followed a successful capital raising through a private placement to sophisticated and institutional investors that was completed in late March 2016. Under that private placement, the Company allotted 27,287,238 fully paid ordinary shares at \$0.085 to raise a total of \$2,319,415.

After the allotment of the securities for both capital raisings noted above, the Company has the following listed securities on issue:

Fully Paid Ordinary Shares	207,194,255
Listed Options exercisable at \$0.20 on or before 30 June 2017	38,721,625

A General Meeting of the Company was held on 10 May 2016 at which these capital raisings were approved and ratified by shareholders.

### **Exploration Development Incentive (EDI) Tax Credits**

The Company announced on 23 May 2016 that shareholders were to receive an EDI tax credit through a Federal Government initiative. The initiative allows Australian resident shareholders to obtain a refundable tax offset for greenfields exploration undertaken by Australian junior exploration companies that do not derive any taxable income.

St George participated in the EDI for the 2015/2016 tax year with \$379,830 of tax credits approved by the Federal Government. The credits were distributed to eligible shareholders of St George who held ordinary fully paid shares in the Company on 31 May 2016.

### **R&D Cash Rebate**

The Company is in the process of completing its Income Tax Return for the financial year ended 30 June 2016. The Income Tax Return includes research and development expenditure which the Company believes will be eligible for a cash rebate under the Federal Government's R&D Tax Incentive Scheme.

The cash rebate, once approved, is expected to be received by the Company in the quarter ending 30 September 2016.



**COMPETENT PERSON STATEMENT:**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Tim Hronsky, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Tim Hronsky is employed by Essential Risk Solutions Ltd which has been retained by St George Mining Limited to provide technical advice on mineral projects.

The information in this report that related to Exploration Targets, Exploration Results, Minerals Resources or Ore Reserves regarding the Hawaii and Mt Alexander Projects is based on information compiled by Mr Matthew McCarthy, a Competent Person who is a Member of The Australian Institute of Geoscientists. Mr McCarthy is employed by St George Mining Limited.

This ASX announcement contains information extracted from the following reports which are available on the Company's website at [www.stgm.com.au](http://www.stgm.com.au):

- 11 February 2016 *Nickel Sulphide Drilling at East Laverton*
- 17 February 2016 *Massive Nickel-Copper Sulphide Targets at Mt Alexander*
- 8 March 2016 *More Massive Nickel Sulphide targets at Mt Alexander*
- 30 March 2016 *Large Gold Zone at East Laverton*
- 27 April 2016 *High Grade Nickel-Copper Sulphides at Mt Alexander*
- 11 May 2016 *Massive Nickel-Copper Sulphides at Stricklands*
- 25 May 2016 *Gold Drill Programme at East Laverton*
- 16 June 2016 *Assays Confirm High Grade Mineralisation at Mt Alexander*
- 29 June 2016 *Nickel-Copper Sulphide Discovery at Stricklands*
- 11 July 2016 *Drill Programme for Mt Alexander Project*

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in any original market announcements referred to in this report and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

### TENEMENT INFORMATION AS REQUIRED BY LISTING RULE 5.3.3

Other than as detailed in the body of the Quarterly Activities Report and in the Table below, no tenements, in part or whole, were relinquished, surrendered or otherwise divested during the quarterly period ended 30 June 2016.

#### EAST LAVERTON/LAKE MINIGWAL:

Tenement ID	Registered Holder	Location	Ownership (%)	Change in Quarter
E39/0981	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/0982	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/0985	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1064	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1066	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1229	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1461	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1472	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1473	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1474	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1475	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1476	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1467	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1492	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1518	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1519	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1520	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1521	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1549	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1565	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1572	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1601	Desert Fox Resources Pty Ltd	East Laverton Property	0	Relinquished
E39/1608	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1666	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1667	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1722	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1779	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1852	Desert Fox Resources Pty Ltd	East Laverton Property	100	N/A
E39/1677	St George Mining Limited	Lake Minigwal Project	100	N/A
E39/1678	St George Mining Limited	Lake Minigwal Project	100	N/A
E39/1877	St George Mining Limited	Lake Minigwal Project	100	N/A

**MT ALEXANDER/HAWAII:**

<b>Tenement ID</b>	<b>Registered Holder</b>	<b>Location</b>	<b>Ownership (%)</b>	<b>Change in Quarter</b>
E29/638	Blue Thunder Resources Pty Ltd	Mt Alexander	75	N/A
E29/548	Blue Thunder Resources Pty Ltd	Mt Alexander	100	N/A
ELA29/954	Blue Thunder Resources Pty Ltd	Mt Alexander	0	N/A
EL29/962	Blue Thunder Resources Pty Ltd	Mt Alexander	100	Granted
E36/741	Blue Thunder Resources Pty Ltd	Hawaii	100	N/A
ELA39/851	Blue Thunder Resources Pty Ltd	Hawaii	0	N/A

## 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, 01/05/2013

Name of entity

St George Mining Limited

ABN

21 139 308 973

Quarter ended ("current quarter")

30 June 2016

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(2,462)	(6,266)
(b) development	-	-
(c) production	-	-
(d) administration	(185)	(983)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	17
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R&D Tax Incentive	-	1,326
Other - GST	(7)	54
<b>Net Operating Cash Flows</b>	<b>(2,649)</b>	<b>(5,852)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(2)	(2)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(2)</b>	<b>(2)</b>

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (carried forward)	(2,651)	(5,854)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares	1,402	6,021
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 – capital raising costs	(134)	(312)
	<b>Net financing cash flows</b>	<b>1,268</b>	<b>5,709</b>
	<b>Net increase (decrease) in cash held</b>	<b>(1,383)</b>	<b>(145)</b>
1.20	Cash at beginning of quarter/year to date	2,820	1,582
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,437</b>	<b>1,437</b>

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	130
1.24	Aggregate amount of loans to the parties included in item 1.10	-

#### 1.25 Explanation necessary for an understanding of the transactions

	\$'000
Directors fees and remuneration	105
Accounting, bookkeeping, corporate secretarial and general administrative services	25

#### 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

N/A
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+ See chapter 19 for defined terms.

- 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

N/A

**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	560
4.2 Development	-
4.3 Production	-
4.4 Administration	220
<b>Total</b>	<b>780</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	393	224
5.2 Deposits at call	1,044	2,596
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,437</b>	<b>2,820</b>

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

#### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	E39/1601 Exploration Licence	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A

#### Issued and quoted securities at end of current quarter

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	100	-	-	-
7.2				
7.3	207,194,255	207,194,255		
7.4				
7.5	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**

**Mining exploration entity and oil and gas exploration entity quarterly report**

7.6	Changes during quarter				
	(a) Increases through issues	-	-	-	-
	(b) Decreases through securities matured, converted	-	-	-	-
7.7	<b>Options</b> <i>(description and conversion factor)</i>	38,721,528	38,721,528	<i>Exercise price</i> \$0.20	<i>Expiry date</i> 30 Jun 2017
		600,000	-	\$0.30	28 Nov 2016
		600,000	-	\$0.50	28 Nov 2017
7.8	Issued during quarter	4,550,194	4,550,194	-	-
				-	-
				-	-
7.9	Exercised during quarter	(1,160)	(1,160)	-	-
7.10	Expired during quarter	3,029,525	-	\$0.30	30 Jun 2016
7.11	<b>Debentures</b> <i>(totals only)</i>	-	-		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	-	-		

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Sarah Shipway  
Non-Executive Director/Company Secretary

Date: 29 July 2016

Print name: Sarah Shipway

### 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.

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+ See chapter 19 for defined terms.



**Appendix 5B**  
**Mining exploration entity and oil and gas exploration entity quarterly report**

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- 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 Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.