

9 October 2015

**QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDED 30 SEPTEMBER 2015**

HIGHLIGHTS

- **Positive results from diamond drilling programme at East Laverton support prospectivity for massive nickel sulphides**
- **Strong off-hole electromagnetic (EM) conductors identified at Desert Dragon for test drilling**
- **Assays confirm wide continuous nickel sulphide zone at Desert Dragon Central**
- **Major RC drilling programme of nickel sulphide targets commenced at East Laverton on 5 October 2015**
- **Acquisition of 100% of the Hawaii and Mt Alexander North nickel sulphide exploration projects from BHP Billiton**
- **Technical review of priority gold targets at East Laverton is initiated**

St George Mining Limited (ASX:SGQ) (“St George Mining”) is pleased to present its Quarterly Activities Report for the quarterly period ended 30 September 2015.

EAST LAVERTON PROPERTY

Diamond Drilling Confirms Nickel Sulphide Zone at Desert Dragon Central

The diamond drilling programme at the East Laverton Property that commenced on 3 June 2015 was completed on 16 August 2015. A total of 11 diamond holes were completed for 4,119m of diamond drilling.

The drilling campaign has returned numerous intersections of nickel sulphide mineralisation at Desert Dragon Central, including several nickel sulphide stringers, providing increased confidence for a significant discovery of massive nickel sulphides at this prospect.

The assay results for the drill holes at Desert Dragon Central demonstrate a wide and continuous zone of disseminated nickel sulphide mineralisation, which is present from a shallow depth and importantly within the same ultramafic unit. This mineralised unit – the DRAC35 Unit - is the fertile ultramafic initially identified by drill hole DRAC35 (**18m @ 0.40% Ni from 100m including 4m @ 0.57% Ni from 100m**), which was completed by BHP Billiton Nickel West in 2012.

Nickel sulphides have also been identified in a second ultramafic unit at Desert Dragon Central beneath the DRAC35 Unit. Both units face to the west and are open along strike to the north and south.

Figure 1 is a geological cross-section interpreted from the completed drill holes at Desert Dragon Central, which illustrates the widespread occurrences of disseminated nickel sulphides at this prospect.

Massive nickel sulphides in komatiite hosted nickel systems are typically surrounded by a halo of disseminated nickel sulphides. The identification of disseminated nickel sulphides in two ultramafic units at Desert Dragon Central is a very positive feature for the potential of massive nickel sulphides at this high priority prospect.

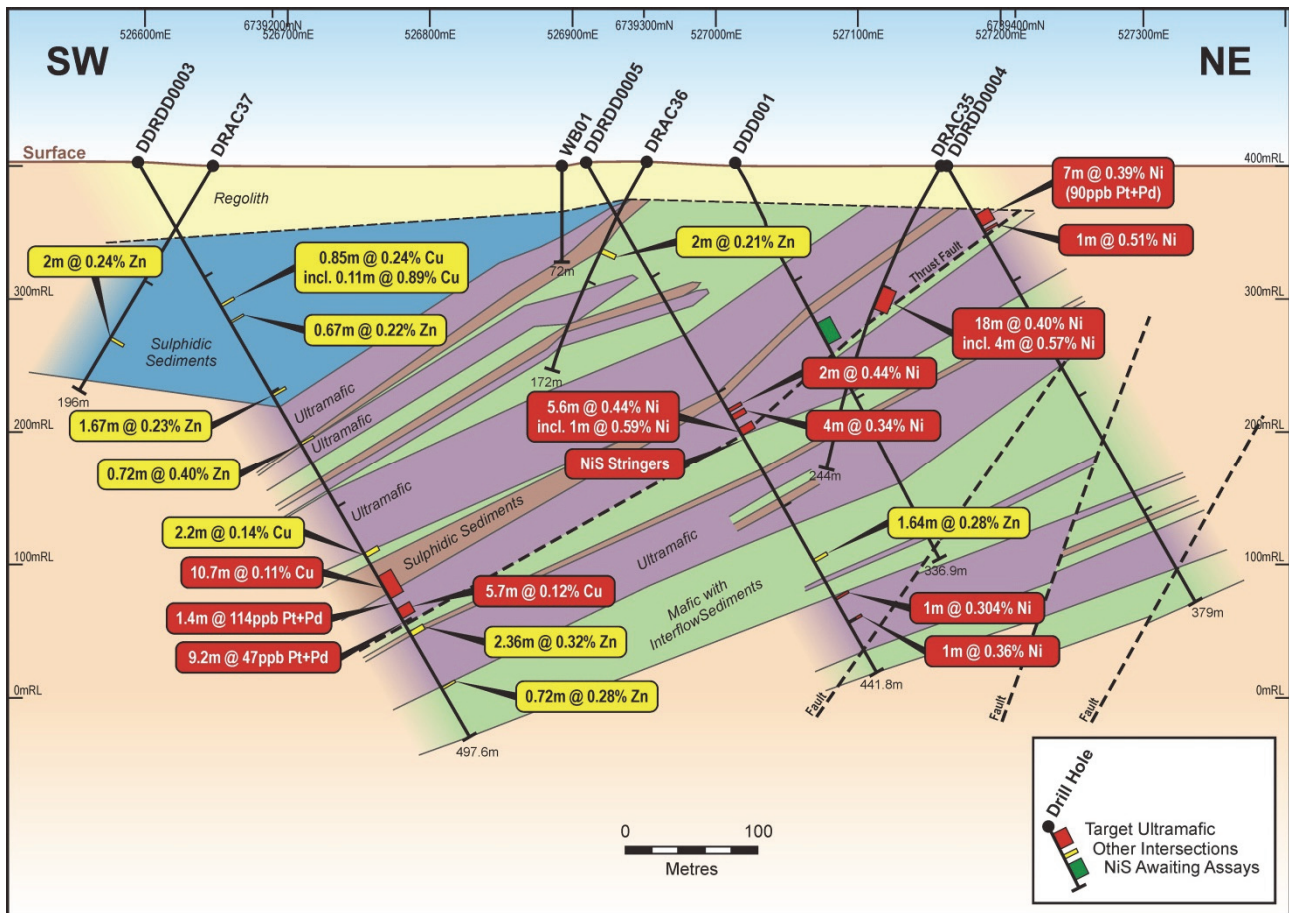


Figure 1 – Interpreted geological cross section from drilling at Desert Dragon Central. Nickel sulphide mineralisation and intersections of nickel associated anomalism are shown in red.

DHEM Targets at Desert Dragon Central

DHEM surveys were carried out on the diamond holes completed at Desert Dragon Central and strong EM responses warranting drill testing were identified in holes DDRDD0004 and DDRDD0005.

- **DDRDD0004-DHEM1:** The EM response of this off-hole conductor is observed in the late time data and has a strong conductance of 18,749 Siemens. The conductor is modelled to be 235m downhole, and 30m to the right of the drill hole trace. The EM plate is relatively flat lying, and has a short strike length of 181m with a depth extent of 185m.
- **DDRDD0004-DHEM2:** This off-hole conductor is also present in the late time data and is located beyond the end of the drill hole (around 388m). The EM plate has a conductance of 5,948 Siemens and is modelled as a steep dipping plate, with dimensions of 689m x 297m.
- **DDRDD0005-DHEM2:** The conductor, which is present in late time data, has an extremely high conductance of 61,148 Siemens. The off-hole conductor is modelled as a discrete plate located 217m below surface, and with a strike length of 156m and a depth extent of 219m.

Figure 2 is a plan view map of Desert Dragon Central and highlights the planned drill targets in the RD drilling programme now underway.

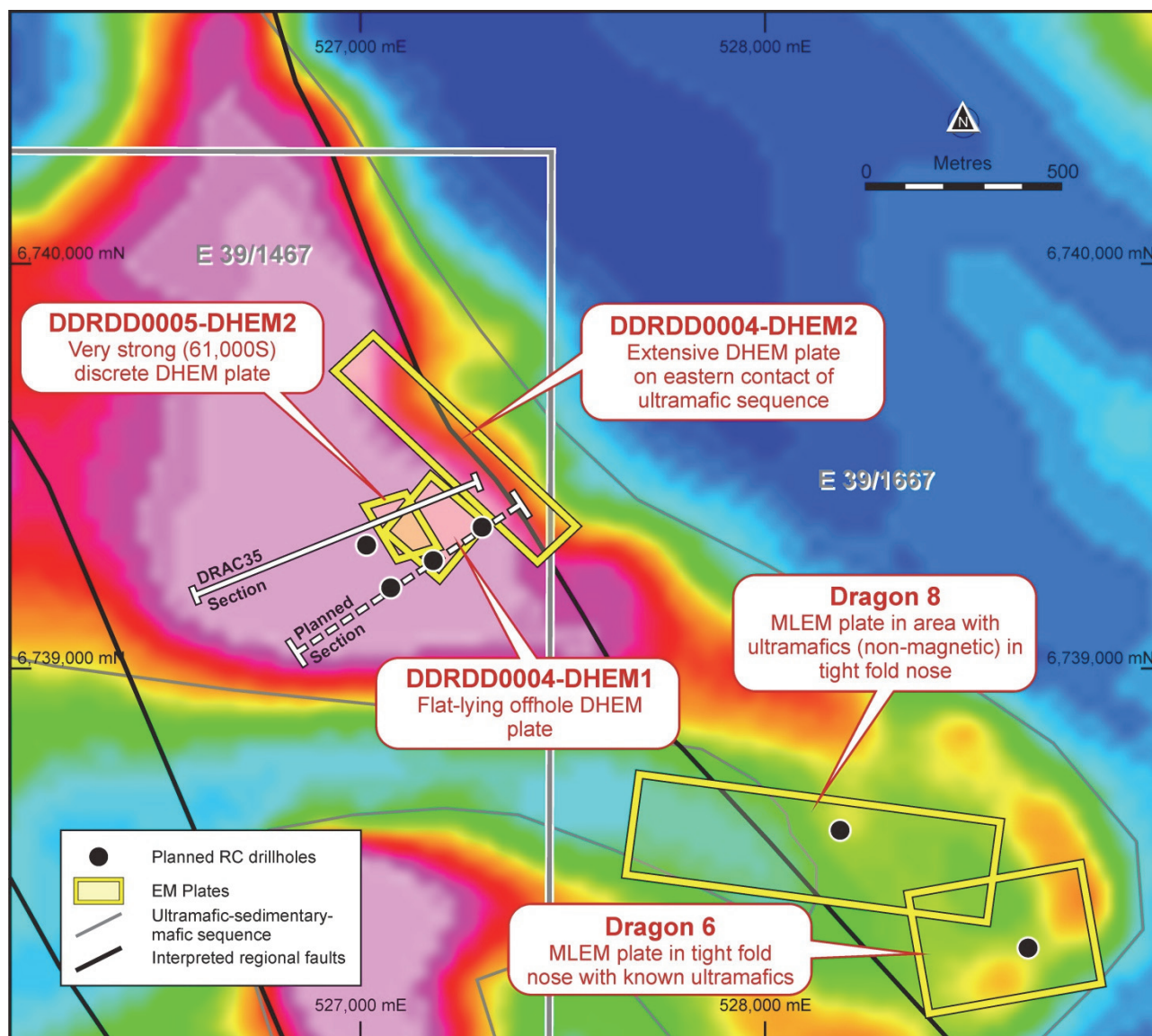


Figure 2 – a plan view of Desert Dragon Central with planned drill holes and EM plates shown over TMI magnetics. Dragon 6 and 8 are in a low magnetic domain.

DHEM Target at Desert Dragon North

Drill hole DDNDD0001 was drilled earlier this year to a depth of 225m to test the mineralised ultramafic below DDNRC002, which intersected nickel sulphide stringers with **2m @ 1.08% Ni from 55m and 2m @ 0.43% Ni from 59m.**

This mineralisation is interpreted to be a fragment that has been dislocated from a larger body of ultramafic hosting massive nickel sulphides. A strong shear zone was encountered by DDNDD0001, providing further support for this geological model where ultramafics hosting nickel sulphides are mechanically remobilised along the shear zone.

A DHEM survey in the new drill hole identified a strong off-hole EM conductor about 100m below and 50m north of DDNDD0001. The identification of a proximal DHEM conductor is an exciting development in the search for the primary source of the nickel sulphides in DDNRC002. The conductor, named North Dragon 1, will be drilled in the RC drilling programme now underway.

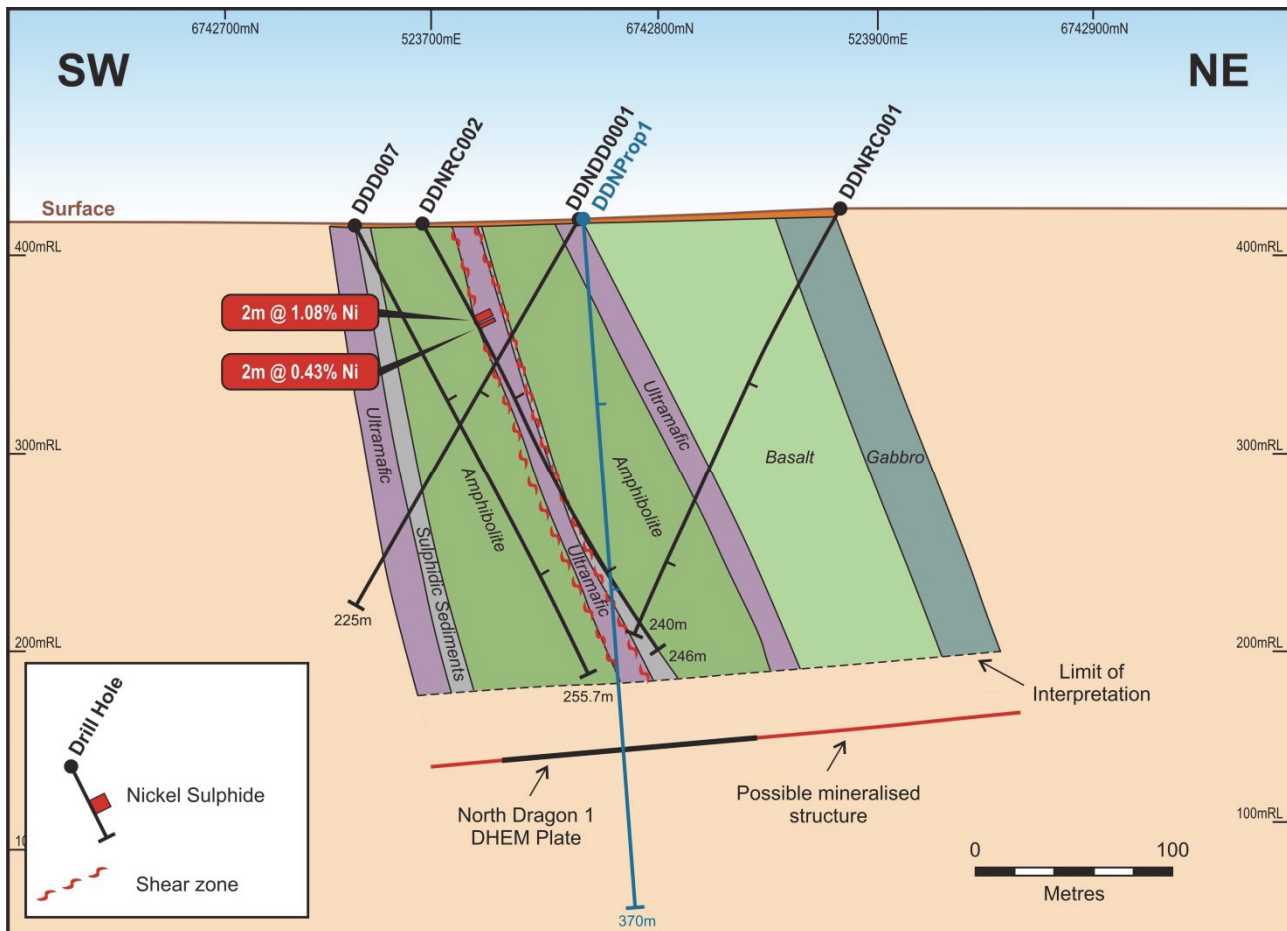


Figure 3 - Interpreted geology of the 'DDNRC002 cross section' at Desert Dragon North. Planned drill hole DDNProp1 is collared on section and will test the 'North Dragon 1' DHEM conductor 100m north of the section.

Major RC Drilling Programme has Commenced

The latest drilling programme at East Laverton, comprising over 7,000m of RC (reverse circulation) drilling, commenced on 5 October 2015.

Drilling will focus on the EM targets at Desert Dragon mentioned above, as well as the high priority Windsor nickel sulphide prospect.

The discovery of nickel sulphides at Windsor was made by BHP Billiton Nickel West in 2012. Drill hole DRAC38 intersected 30m @ 0.31%Ni from 108m, **including 8m @ 0.44%Ni from 130m and 2m @ 0.62%Ni from 132m.**

Further drilling at Windsor by St George has confirmed a large high MgO komatiite ultramafic that is interpreted to extend over 2km. The unit hosts high tenor disseminated nickel sulphides, which are open laterally and at depth.

Thirteen drill holes for approximately 4,000m are planned to test the prospective eastern basal contact at depth and along strike from known nickel sulphide intersections.

Figure 4 is a plan view of the interpreted ultramafic at Windsor against TMI magnetics and illustrates the planned drill holes.

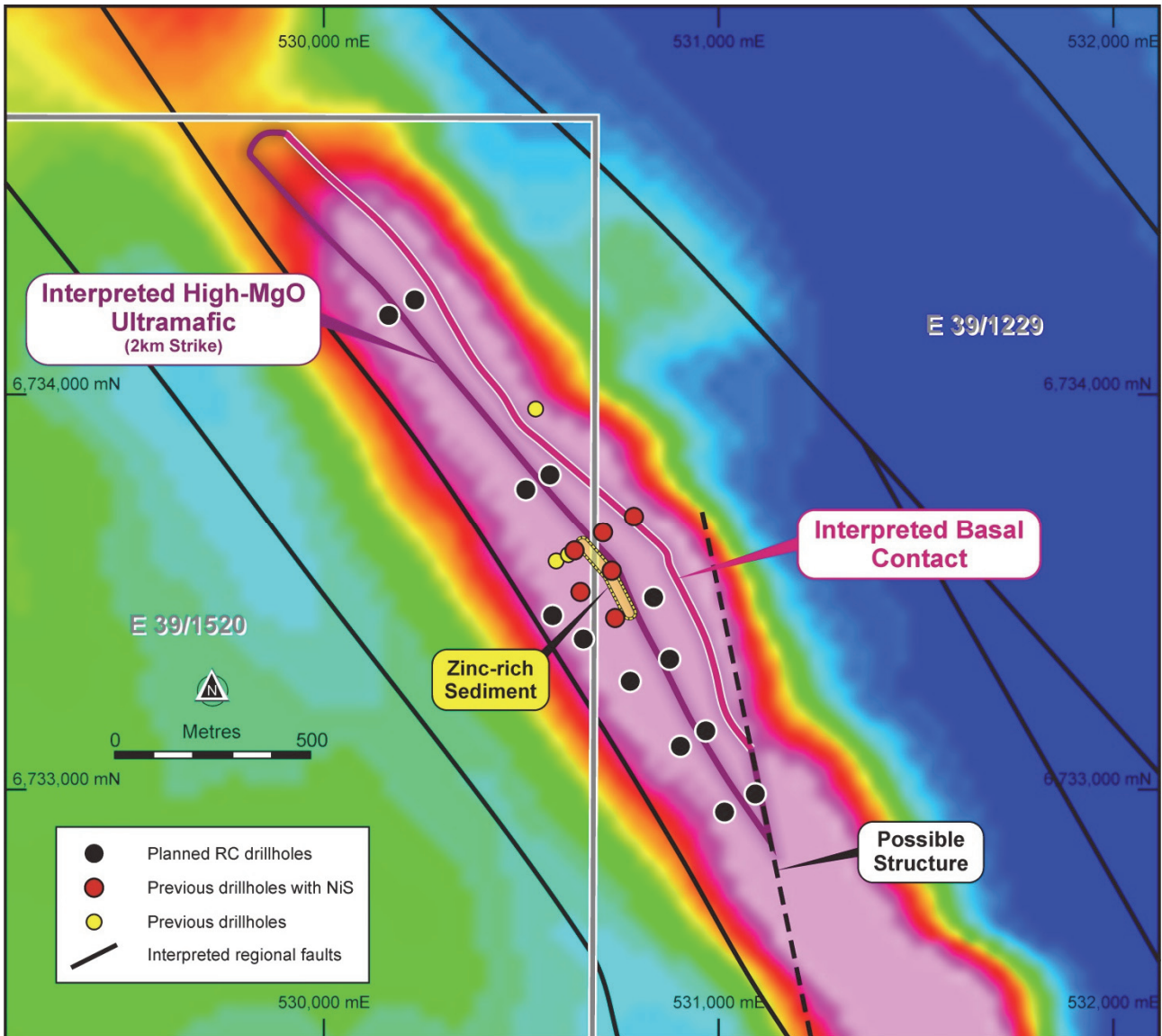


Figure 4 – interpreted ultramafic at Windsor against TMI magnetics showing the small area tested to date and highlighting the substantial exploration upside. The eastern basal contact will be tested by the 4,000m RC drilling programme currently underway. All holes will be drilled to the northeast.

LAKE MINIGWAL PROJECT

The inaugural drilling campaign at the 100% owned Lake Minigwal Project will be completed in Q4 2015. The Lake Minigwal Project is interpreted to comprise a covered package of greenstones and sediments, which are prospective for gold and nickel sulphide mineralisation.

A large, composite gold + molybdenum + arsenic soil anomaly covers an area in excess of 5,000 m along the northern greenstone-sediment contact at the Lake Minigwal Project, considered a favourable structural setting. The major gold deposits (3+ MozAu) in the Laverton goldfield to the west are hosted in sedimentary rather than greenstone rocks, and the position of the gold anomalism along the greenstone-sediment margin at the Lake Minigwal Project is considered to be significant.

The upcoming RC drilling at the Lake Minigwal Project will investigate the nature of this prominent gold anomaly.

MOUNT ALEXANDER NORTH AND HAWAII PROJECTS

On 18 September 2015, St George announced that it had entered into a binding agreement to acquire 100% of the Mount Alexander North and Hawaii Projects from BHP Billiton. For details of the acquisition terms, refer to our ASX Release dated 18 September 2015 'St George Acquires Nickel Sulphide Projects'.

The Projects are located along the Ida Fault, a significant Craton-scale structure that marks the boundary between the Eastern Goldfields Superterrane to the east and the Youanmi Terrane to the west.

The Mt Goode Rift that hosts the Cosmos nickel complex ("Cosmos") to the north is interpreted to be a splay off the Ida Fault (see Figure 5). The geology at Hawaii and Mt Alexander North could be contiguous with the stratigraphy that hosts Cosmos.

Cosmos, with a resource of over 500,000 tonnes of contained nickel, includes one of the highest grade nickel mines ever discovered.

St George has augmented the acquisition from BHP Billiton with additional tenement applications over contiguous geological and strategically important areas.

The Mount Alexander North Project is immediately north of the Mount Alexander Project comprised in E29/638 and which is currently held in joint venture by Nickel West (75%) and Western Areas (25%).

High grade nickel-copper sulphides were discovered at the Cathedrals prospect at the Mount Alexander Project in 2008 with intersections including **4m @ 4.9%Ni, 1.7%Cu and 3.9g/t total PGEs from 91.4m** and **3m @ 3.8%Ni, 1.6%Cu and 2.7g/t total PGEs from 56.3m** (see ASX Release dated 2 April 2008 by Western Areas Ltd).

The Cathedrals Fault that hosts the high grade Ni-Cu-PGE discovery on E29/638 is interpreted to extend into the tenements acquired by St George, with potential for a continuation of the high grade mineralisation onto St George's ground.

A deep RC drilling programme is planned for the Hawaii Project in Q4 2015, following completion of a moving loop electromagnetic survey this month.

This will be the first ever drilling of the bedrock at Hawaii, and has the potential to provide a major exploration breakthrough.

Three magnetic anomalies have been identified at the Mount Alexander North Project for priority exploration, and these targets are planned for drill testing in early 2016.

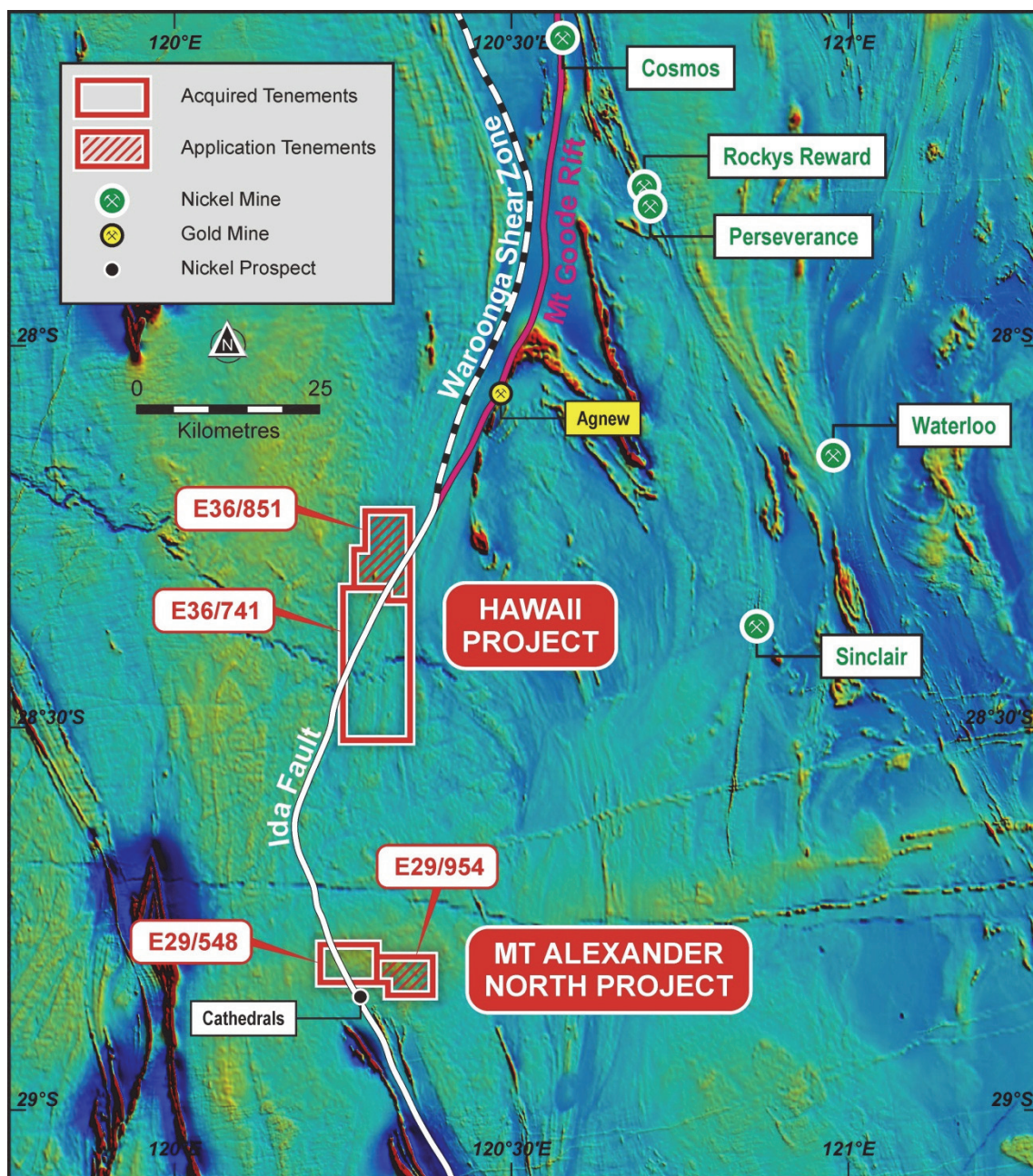


Figure 5 – a regional map showing the position of the important Ida Fault and Mt Goode Rift relative to the new Hawaii and Mt Alexander North Projects, and the location of major nickel and gold sulphide deposits

TECHNICAL REVIEW OF GOLD TARGETS

The greenstone belts at the East Laverton Project are considered as having potential to host Orogenic gold mineralisation. Soil geochemical surveys completed at East Laverton by St George have identified a number of prospective gold targets with the most prominent being the Balmoral gold prospect situated along the Minigwal belt in the eastern section of the Project area.

A broad ranging gravity survey was completed across the East Laverton Project during August 2015. Gravity data is a critical component in the geological interpretation of gold targets in Archean settings like the East Laverton Project. This new and very valuable gravity data set has prompted a technical re-evaluation of gold targets at the Project.

This gold review is being conducted by our technical team in conjunction with Dr Jon Hronsky, Chairman of the Centre of Exploration Targeting in Western Australia. Dr Hronsky has been associated with a number of major discoveries in Western Australia, and most recently advised Gold Road Resources Ltd (ASX: GOR) on its Gruyere gold deposit (+4Moz Au).

The Yilgarn Craton is very well endowed in mineral deposits, but the eastern part of the craton (i.e. to the east of the Laverton greenstone belt) has been historically under-explored relative to the remainder. This is because of its relative remoteness and the greater extent of post-mineralisation cover in this region.

Despite these factors, it is very significant that the two most important recent gold discoveries in Australia – Tropicana (+10MozAu) in 2005 and Gruyere (+4MozAu) in 2013 - have been made in this region. These successes highlight the potential of undercover exploration and strongly justify exploration of prospective areas of interest at St George’s East Laverton Project.

The new gravity survey for the East Laverton Project has, in particular, highlighted an area of interest along the Minigwal belt; see Figure 6. The gravity data has defined, for the first time, the large-scale architecture of the belt including features critically important to gold targeting.

A report on the technical review of gold targets is due shortly. It is expected that the review will identify camp-scale and prospect-scale gold targets for immediate follow-up exploration.

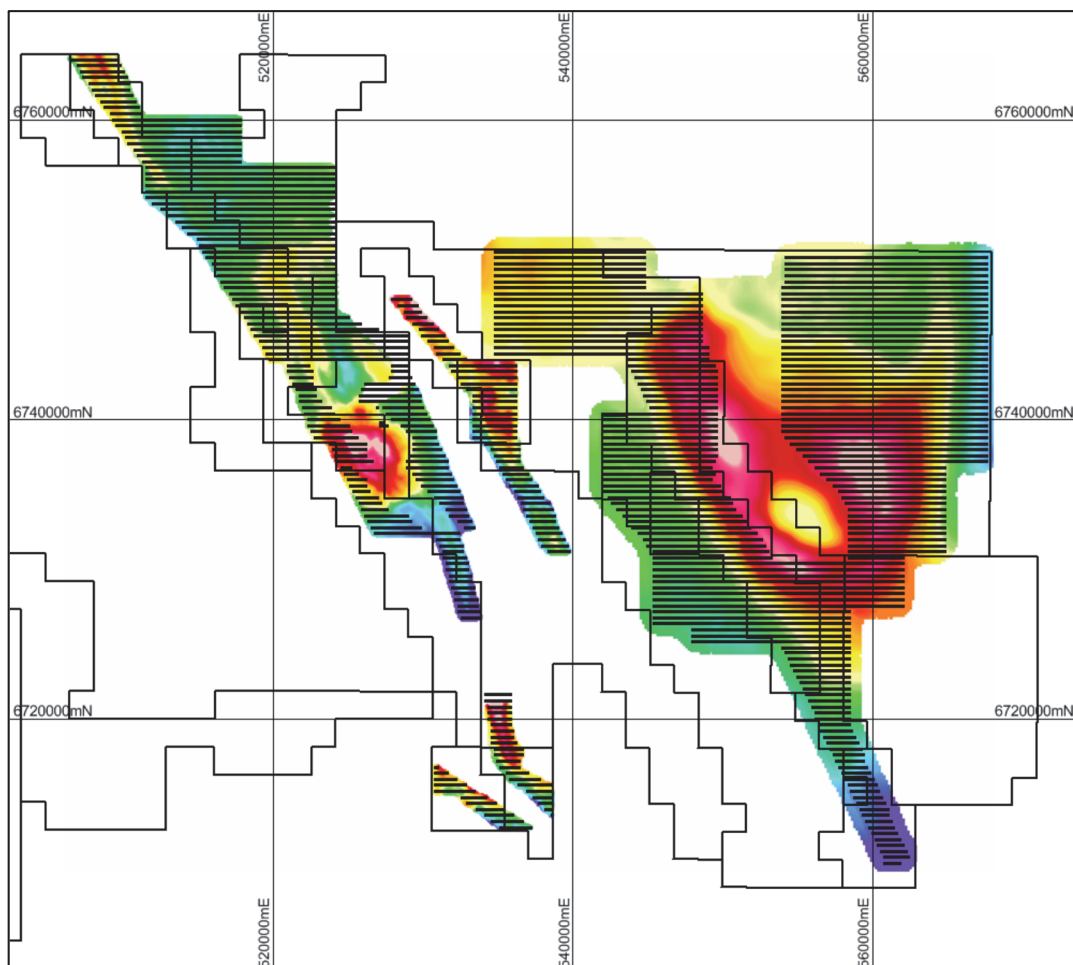


Figure 6 – Preliminary Bouguer gravity data (Linear stretch optimised by area) acquired in August 2015. Prominent gravity features (red colour) are noted in the Minigwal belt and may be associated with gold mineralisation.

TENEMENT INFORMATION

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

East Laverton Property

St George Mining has 100% ownership of 27 granted Exploration Licences and one application for an Exploration Licence at the East Laverton Property.

Lake Minigwal Project

St George Mining has 100% ownership of 2 granted Exploration Licences and one application for an Exploration Licence at the Lake Minigwal Project.

Mt Alexander North Project

St George has agreed to acquire E29/548 from BHP Billiton Nickel West Pty Ltd. In addition, St George has pending applications for Exploration Licences 29/954 and 29/962.

Hawaii Project

St George has agreed to acquire E36/741 from BHP Billiton Nickel West Pty Ltd. In addition, St George has a pending application for Exploration Licence 36/851.

CORPORATE UPDATE

Capital Raisings Ratified by General Meeting

A General Meeting of the Company was held on 28 July 2015 to approve and ratify the capital raising initiatives actioned in June 2015, namely:

- a) Ratify the placement of 20,007,864 ordinary shares at \$0.07 each to raise \$1,400,550 and 7,419,288 listed options, which was completed on 9 June 2015; and
- b) Approve the placement of a further 5,555,556 ordinary shares at \$0.09 per share and 1,851,852 listed options, to City Natural Resources High Yield Trust PLC to raise \$500,000 which was announced on 16 June 2015.

Investors who subscribed for shares in these placements received one free option for every three new shares acquired. These options are on the same terms as the options trading under ASX code SGQOA.

All resolutions considered at the General Meeting were passed with the requisite majorities.

Following completion of these placements, the Company has 137,395,226 ordinary shares and 20,857,178 listed options on issue.

R&D Cash Rebate

On 8 September 2015, the Company confirmed it had received a cash payment of \$1,326,000 pursuant to the Federal Government's R&D Tax Incentive Scheme.

The Company's 2014/2015 financial year tax return was assessed to include research and development expenditure eligible for the cash rebate under the Scheme, which is administered jointly by AusIndustry and the Australian Taxation Office.

Employee Incentive Options

St George has agreed to grant, subject to shareholder approval being obtained, the following unlisted options to Technical Director Tim Hronsky and Exploration Manager Matthew McCarthy under the Company's Employee Incentive Option Plan:

- 300,000 Class D Options expiring 28 November 2016 with an exercise price of \$0.30; and
- 300,000 Class E Options expiring 28 November 2017 with an exercise price of \$0.50.

After the issue of the above, the Company will have 600,000 Class D Options and 600,000 Class E Options on issue.

The annual general meeting scheduled to be held in late November 2015, will include amongst other things, the approvals required for issue of the Class D and Class E Incentive Options.

Further details of the terms and conditions of the options are in Annexure A.

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 North 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:

- 17 August 2015 *Assays Confirm Nickel Sulphide Zone at Desert Dragon Central*
- 2 September 2015 *Nickel Sulphide Exploration Update*
- 11 September 2015 *High Quality Nickel Sulphide Targets at Windsor*
- 18 September 2015 *St George Acquires Nickel Sulphide Project*
- 29 September 2015 *St George Announces Nickel Sulphide Targets for Drilling*
- 6 October 2015 *Major Nickel Sulphide Drilling Campaign*

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.

ANNEXURE A – TERMS AND CONDITIONS OF OPTIONS ISSUED

The Option entitles the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for one Share.
- (b) Each Option will expire on the earlier of:
 - (i) the Optionholder ceasing to be retained or employed by the Company for any reason whatsoever (including without limitation resignation or termination for cause); or
 - (ii) in the case of:
 - (A) Class D Options – 5:00pm (WST) on 28 November 2016; and
 - (B) Class E Options – 5:00pm (WST) on 28 November 2017,

(Expiry Date).

- (c) An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
- (d) Subject to paragraph (m), the amount payable upon exercise of each Option is as follows:
 - (i) Class D Options – \$0.30; and
 - (ii) Class E Options – \$0.50,

(Exercise Price).

- (e) The Options will vest as follows:
 - (i) Class D Options – 6 months from their date of issue; and
 - (ii) Class E Options – 12 months from their date of issue.
- (f) The Options held by each Optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (g) An Optionholder may exercise their Options by lodging with the Company, before the Expiry Date:
 - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
 - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised;

(Exercise Notice).

- (h) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

- (i) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect to the number of Options specified in the Exercise Notice.
- (j) The Options are not transferable except with the prior written consent of the board of directors of the Company.
- (k) All Shares allotted upon the exercise of the Options will upon allotment rank pari passu in all respects with other shares.
- (l) The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of Options on ASX within 10 Business Days after the date of allotment of those shares.
- (m) If at any time the issued capital of the Company is restructured, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
- (n) There are no participating rights or entitlements inherent in the Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (o) An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

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 September 2015.

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	100	N/A
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
ELA39/1852	Desert Fox Resources Pty Ltd	East Laverton Property	0	Application lodged on 24 Dec 2014
E39/1677	St George Mining Limited	Lake Minigwal Project	100	N/A
E39/1678	St George Mining Limited	Lake Minigwal Project	100	N/A
ELA39/1877	St George Mining Limited	Lake Minigwal Project	0	Application lodged on 24 April 2015

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 September 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,100)	(1,100)
(b) development	-	-
(c) production	-	-
(d) administration	(227)	(227)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R&D Tax Incentive	1,326	1,326
Other - GST	(55)	(55)
Net Operating Cash Flows	(54)	(54)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
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)	-	-
Net investing cash flows	-	-

+ 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)	(54)	(54)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares	500	500
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	(16)	(16)
	Net financing cash flows	484	484
	Net increase (decrease) in cash held	430	430
1.20	Cash at beginning of quarter/year to date	1,582	1,582
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,012	2,012

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	143
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	38

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

+ 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	900
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	1,050

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	14	13
5.2 Deposits at call	1,998	1,569
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,012	1,582

+ See chapter 19 for defined terms.

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	N/A	N/A	N/A
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	137,395,226	137,395,226		
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	Options <i>(description and conversion factor)</i>	20,857,178 1,000,000 3,029,525	20,857,178 - -	<i>Exercise price</i> \$0.20 \$0.40 \$0.30	<i>Expiry date</i> 30 June 2017 28 November 2015 30 June 2016
7.8	Issued during quarter	2,254,709	2,254,709	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures <i>(totals only)</i>	-	-		
7.12	Unsecured notes <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: 9 October 2015

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.

+ See chapter 19 for defined terms.

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

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

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

- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

- 5 **Accounting Standards** ASX will accept, for example, the use of International 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.