

HIGHLIGHTS

- **Four prime lithium projects – 3 brine projects and 1 hard rock project – each capable of being a ‘company maker’ in Argentina.**
- **Drilling to start in days at Kachi Lithium Brine Project in Catamarca after last stage of approval successfully completed with a local public hearing.**
- **Diamond drill program of 1500m in at least 3 holes with initial payments made.**
- **Lease approvals continue to progress in the Olaroz/Cauchari and Paso Projects in Jujuy province adjacent to Orocobre and SQM/Lithium Americas.**
- **Letter of Intent (LOI) signed with Catamarca State mining & energy entity to advance Kachi Project.**
- **Lake holds one of the largest listed lithium lease holdings in Argentina of 170,000 Ha, including areas under option.**
- **Kachi Lithium Brine Project covers ~52,000Ha consolidated mining leases over an undrilled salt lake near to Albermarle’s Antofalla Project.**
- **Catamarca Pegmatite Lithium Project (~72,000 Ha), under option, with large pegmatite swarms over 150km.**
- **Focus in coming Quarter on drilling at Kachi Lithium Brine Project; Results expected to be substantially higher than current positive surface results.**
- **Lake is organizing a debt security to provide additional funding for a drill program without dilution adding to the cash position to meet current exploration initiatives.**

31 October 2017

Lake Resources N.L.
ASX:LKE

Shares on Issue:
227,493,026

Options Listed:
19,350,000 (10c)

Options Unlisted:
39,039,250 (5c/10c)
(32,789,250 vested)

Market Capitalisation:
\$25 million (@11c)

Share Price Range:
\$0.033 – 0.155 (12mth)

Contact:
+61 2 91887864
steve@
lakeresources.com.au

LAKE RESOURCES N.L.
QUARTERLY REPORT – ENDING 30 SEPTEMBER 2017

OPERATIONS

Kachi Lithium Brine Project - Catamarca Province, Argentina

The Kachi Lithium Brine Project is located in Catamarca province, Argentina, approximately 80km south of a lithium brine producer (FMC Corp's Hombre Muerto Lithium brine operation) and Galaxy Resources Limited's Sal de Vida lithium brine project. Albemarle Corp's Antofalla lithium potash brine development project is in the adjacent basin. The project is positioned in the Lithium Triangle where the world's largest and lowest cost production of lithium is located.

The Kachi Project is a consolidated mining lease package of ~52,000 Ha of mining leases owned 100% by Lake (90% granted), centred around a salt lake within a large basin almost 100km long. This area has been recently recognised as a potential lithium brine bearing basin and is the first time the area has been consolidated under one owner.

Lake's Argentine subsidiary held a successful local community meeting, together with the regulators, to complete the final step in the approval process to allow drilling to commence over the Kachi Lithium Brine Project.

A diamond drill rig has been secured with initial payments made and the plan is to commence a maiden 1000m diamond drilling programme drilling in at least 3 holes in the coming days, with formal approval.

The leases cover the Carachi Pampa salt lake and surrounds that remain undrilled, yet displays positive lithium results near-surface of up to 322 mg/L in auger brine sampling with high conductivities.

The exploration programme has continued **over approved lithium brine mining leases** in the Kachi Lithium Brine Project in Catamarca province. Due to the recent renewed interest and substantial increase in applications for lithium exploration in Argentina, the regulators have experienced increased demands on their time which have affected the timelines for drilling access.

Letter of Intent Signed with Argentine Government Entity

A Letter of Intent (LOI) was signed with the Catamarca State mining and energy entity, CAMYEN, to aid the development of the Kachi Lithium Brine Project in Catamarca. The Kachi project was selected by the State of Catamarca to be accelerated together with a select few energy and mining projects in the province to ensure appropriate development.

The Letter of Intent (LOI) is to facilitate the project through various permitting stages in exploration and development to production, including environmental and community support, while assisting in the provision of services.

CAMYEN (Catamarca Minera y Energetica Sociedad Del Estado) has recent experience in assisting renewable energy projects and mining projects in the province, both with permitting, including presentations to the state and local authorities and communities, together with the provision of exploration services.

Catamarca Lithium Pegmatite Project - Catamarca Province, Argentina

An option agreement with Petra Energy SA exists over a large area (~72,000 Ha) of potential lithium bearing pegmatites in Ancasti, Catamarca Province, Argentina. The optioned leases (exploration and mining leases and applications) cover a large part of this newly recognised 150km long belt of pegmatite swarms. These areas are at low altitudes with good year-round access.

The agreement was extended under similar terms to allow for completion of the formation of the local entity to allow a share transfer if the option is exercised in full.

The pegmatites were recognised following a study of past lithium (spodumene) mining leases, satellite image interpretation together with field visits. Spodumene is a lithium-bearing mineral, usually in pegmatites, used as feedstock by most of the world's hard-rock lithium producers. Within these areas, eight exploration leases (cateos) and a small number of mining leases (minas) were applied for with approximately half granted to date. Lake has conducted initial field visits to assess the project. The aim is to locate a large swarm of pegmatites with spodumene as a drill target and development target.

Olaroz/Cauchari & Paso Lithium Brine Projects - Jujuy Province, Argentina

Lake holds mining lease applications over almost 45,000 hectares in two areas in Jujuy Province, in NW Argentina. The initial applications from March 2016 were successfully appealed in a local court. The application process has progressed since that time and will progress further in the coming months with the aim to gain access. Most of the area was reapplied for in November 2016 when a moratorium on new applications was lifted by the provincial government to ensure the areas were covered. Leases/applications are held 100% through Lake's local subsidiaries.

The leases cover areas in and around Orocobre Limited, currently in production, and Lithium Americas Corporation, currently developing a project with the major lithium producer SQM, in the Cauchari/Olaroz basin in Jujuy Province, Argentina. Although data is limited within the properties, the tenements may cover potential extensions to the Cauchari/Olaroz projects with potential extensions to aquifers.

Exploration will commence as soon as access is available to the areas. Substantial ground geophysics and drilling has been completed in the surrounding leases at Olaroz/Cauchari.

CORPORATE

Cash Position

Lake holds cash of \$0.93 million as at 30 September 2017 (with no debt), in AUD, USD and Argentine Pesos. Lake is organizing a debt security to provide additional funding for a drill program without dilution adding to the cash position to meet current exploration initiatives.

Capital Structure

Lake has 227,493,026 shares on issue as at 30 September 2017. Listed options include 19,350,000 options (LKEO1) with an exercise price of \$0.10 (expiry 28 Aug 2018). Unlisted options include 31,250,000 options with an exercise price of \$0.05 (expiry 4 Apr 2018) and 1,539,250 options with an exercise price of \$0.10 (expiry 14 Jun 2018). Another 6,250,000 unlisted options and 12,500,000 performance rights were included in the transaction with Lith NRG Pty Ltd, together with 8,500,000 LTI Plan Performance Rights, which have yet to reach the required hurdles for vesting.

AGM Notice

Lake has issued a Notice of Meeting for the Annual General Meeting to be held on 30 November 2017 in Brisbane Australia at the offices of HopgoodGanim. If shareholders have not received the information they are requested to contact the office in Sydney.

Director Appointment

Dr Nick Lindsay was appointed as a Non-Executive Director of the Company in July. Nick has over 25 years' experience in Argentina, Chile and Peru in technical and commercial roles in the resources sector with major and mid-tier companies, as well as start-ups. Nick has an BSc (Hons) degree in Geology, a PhD in Metallurgy and Materials Engineering as well as an MBA.

A fluent Spanish speaker, he has successfully taken companies in South America, such as Laguna Resources which he led as Managing Director, from inception to listing, development and subsequent acquisition. Mr Lindsay is currently CEO of Manuka Resources Ltd, an unlisted company, having previously held the position of President – Chilean Operations for Kingsgate Consolidated Ltd and is a member of the AusIMM and the AIG.

Mr Peter Gilchrist made the decision to step down from the Board in July after more than 10 years' service. Mr Gilchrist was instrumental in establishing Lake Resources privately and listing the Company, focused on copper-gold assets, including leases in Argentina, and was central to the successful acquisition of the lithium projects of Lith NRG Pty Ltd. The Board has thanked him for his assistance and good guidance of the Company.

Outlook

The focus in the coming quarter will be:

Kachi Lithium Brine Project

- Commencement of the drilling
- Initial results from drilling

Catamarca Lithium Pegmatites Project

- Further sampling and assessment of option arrangements

For further information, please contact:

Steve Promnitz
Managing Director
+61 2 9188 7864

steve@lakeresources.com.au

<http://www.lakeresources.com.au>.

Released through: Henry Jordan, Six Degrees Investor Relations: +61 (0) 431 271 538

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Background on Lake Resources NL (ASX:LKE)

Lake Resources NL (ASX:LKE, Lake) is undertaking an aggressive exploration programme to explore and develop prime lithium projects in Argentina, owned 100%, among some of the largest players in the lithium sector. Lake holds one of the largest lithium tenement packages in Argentina (~170,000Ha) secured prior to a significant 'rush' by major companies with three key lithium brine projects located in the Lithium Triangle which produces half of the world's lithium. Lake also holds one large package of lithium pegmatite properties which were an unappreciated source of lithium in Argentina until recently.

The three key brine projects, Olaroz/Cauchari, Paso and Kachi, have similar settings to major world class brine projects being developed in the highly prospective Jujuy and Catamarca Provinces. One project is located next to Orocobre's Olaroz lithium production and SQM/Lithium Americas Cauchari project. The Kachi project covers 50,000 Ha over a salt lake south

of FMC's lithium operation and near Albemarle's Antofalla project. Exploration and permitting will provide several catalysts for the company's growth as these areas are assessed for major discoveries

Significant corporate transactions continue in adjacent leases with development of SQM/Lithium Americas Olaroz/Cauchari project with an equity/debt investment over \$300 million and Advantage Lithium's equity transaction in some of Orocobre's leases. LSC Lithium has also raised over \$60 million on a large lease package in similar areas as Lake's properties.

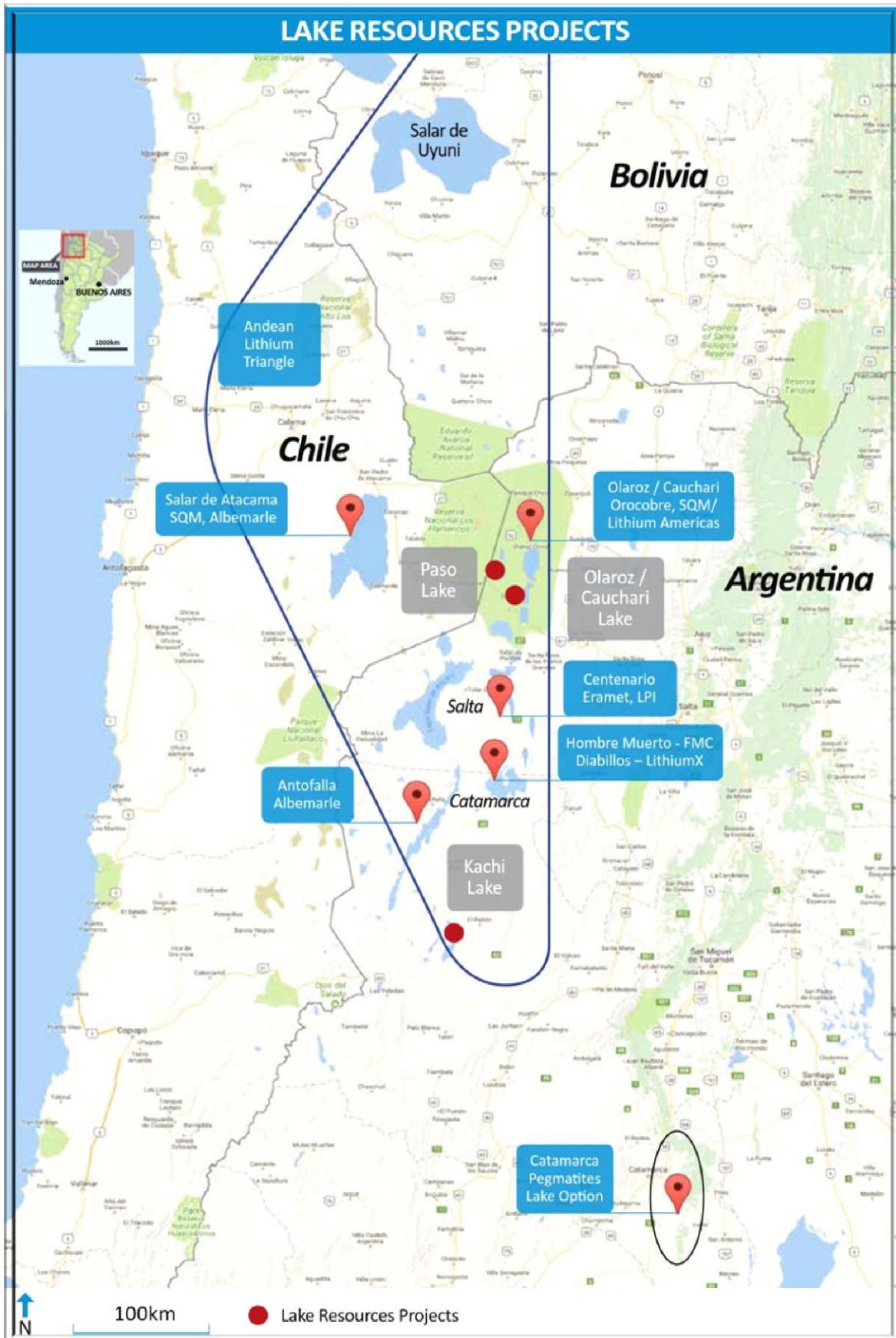


Figure 1: Location map of Lake Resources lithium brine and hard rock (pegmatite) projects in NW Argentina



Fig 2: Images from the community meeting, the contracted drill rig, a rig on the adjacent property and a side view of the Kachi Lithium Brine Project

Table 1 Report: Kachi Lithium Brine Project

Criteria	Section 1 - Sampling Techniques and Data
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • Brine samples were taken from groundwater with a bailing device from a hand dug pit that was deepened using a soil auger at depths of 0.2m to 1.7m. The bailer is lowered to the base of the hole and the brine sample collected and brought to surface. • The brine sample was collected in a clean plastic bottle (1 litre) and filled to the top to minimize air space within the bottle. A duplicate was collected at the same time for storage and submission of duplicates to the laboratory. Each bottle was taped and marked with the sample number.
<i>Logging</i>	<ul style="list-style-type: none"> • Soil, salt and cuttings from each auger pit was examined for geologic logging by a geologist and a photo taken for reference.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • Brine samples were collected by bailing brine, which collects at the base of the hole. Bailing homogenizes samples and no sub-sampling is undertaken in the field. • The brine sample was collected in one-litre sample bottles, rinsed and filled with brine. Each bottle was taped and marked with the sample number.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • The SGS laboratory in Buenos Aires, Argentina was used for these analyses of brine samples as a comparison to the primary laboratory of Alex Stewart Argentina/Norlab SA in Palpala, Jujuy, Argentina, used to conduct the assaying of the prior brine samples collected. SGS also analyzed blind control samples and duplicates in the analysis chain. Both the SGS laboratory and the Alex Stewart/Norlab SA laboratory are ISO 9001 and ISO 14001 certified, and both have significant experience in the chemical analysis of brines and inorganic salts. The Alex Stewart Argentina S.A. laboratory in Mendoza, Argentina, has significant experience in this field and has been operating for a considerable period. The reader is cautioned that no certified standard samples were included with this small batch (as certified standards were not available at this time), but will be included in all future batches of analyses. However field duplicates and blank samples were included with the primary samples analyzed. • The quality control and analytical procedures used at the SGS laboratories and Alex Stewart/Norlab SA laboratory are considered to be of high quality and comparable to those employed by ISO certified laboratories specializing in analysis of brines and inorganic salts.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • Certified standards were not included with the samples. However field duplicates and blanks were included to monitor potential contamination of samples and the repeatability of analyses. A detailed QA/QC program is planned as part of the future sampling programme and would be in a future drilling program. Accuracy, the closeness of measurements to the “true” or accepted value, will be monitored by the insertion of certified laboratory standards, or reference samples, and by check analysis at an independent (or umpire) laboratory. • Duplicate samples in the analysis chain were submitted to SGS laboratories and Alex Stewart/Norlab SA as unique samples (blind duplicates) during the process • Stable blank samples (distilled water) were used to evaluate potential sample contamination and will be inserted in future to measure any potential cross contamination • Samples were analysed for conductivity using a hand held Hanna pH/EC multiprobe. Higher conductivity samples were sent to the lab for analysis, together with some low conductivity samples as a check.
<i>Location of data points</i>	<ul style="list-style-type: none"> • The auger hole sample sites were located with a hand held GPS. • The location is in POSGAR Faja 2 and Faja 3 (UTM 19) or in WGS84 UTM.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • Brine samples were collected at approximately 500m points on 1000m spaced lines north-south.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • The salt lake (<i>salar</i>) deposits that contain lithium-bearing brines generally have sub-horizontal beds and lenses that may contain sand, gravel, salt, silt and clay. The near-surface auger samples test the near-surface groundwater. Future planned vertical drill holes would be essentially perpendicular to these units, intersecting their true thickness
<i>Sample security</i>	<ul style="list-style-type: none"> • Samples transported to the SGS laboratory or the Alex Stewart/Norlab SA laboratory for chemical analysis were transported in sealed 1-litre rigid plastic bottles with sample numbers clearly identified. Samples were transported by a trusted member of the team. • The samples were moved from the auger sample site to secure storage at the hotel on a daily basis. All brine sample bottles are marked with a unique label not related to the location.
<i>Review (and Audit)</i>	<ul style="list-style-type: none"> • No audit of data has been conducted to date.

Criteria	Section 2 - Mineral Tenement and Land Tenure Status
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> The Kachi Lithium Brine project is located approximately 100km south-southwest of FMC's Hombre Muerto lithium operation and 45km south of Antofagasta de la Sierra in Catamarca province of north western Argentina at an elevation of approximately 3,000m asl. The project comprises approximately 52,300 Ha in twenty seven mineral leases (minas) of which twenty three leases (46,000 Ha) are granted for initial exploration and four leases are applications pending granting. The tenements are believed to be in good standing, with payments made to relevant government departments.
<i>Exploration by other parties</i>	<ul style="list-style-type: none"> Marifil Mines Ltd conducted sparse near-surface pit sampling of groundwater at depths less than 1m during 2009. Samples were taken from each hole and analysed at Alex Stewart laboratories in Mendoza Argentina. Results were reported in an NI 43-101 report by J. Ebisch in December 2009 for Marifil Mines Ltd. NRG Metals Inc has recently commenced exploration in adjacent leases under option. A Vertical Electrical Sounding (VES) geophysical survey was completed by NRG Metals Inc recently on adjoining leases which revealed a consistent sub-surface horizon which is conductive and interpreted to represent a thick, brine-rich zone, with plans for drilling soon. Geophysical data was collected by ConHidro SRL of Salta and Catamarca, Argentina and interpreted by Sergio Lopez & Associates, Salta. Results were reported in an NI 43-101 report by Rojas y Asociados Mining Consultants dated December 2016 for NRG Metals Inc. No other exploration results were able to be located
<i>Geology</i>	<ul style="list-style-type: none"> The known sediments within the <i>salar</i> consist of salt/halite and some clay. The sediments below 2 m are not known, but may include, sands, gravels, silts and clays accumulated in the <i>salar</i> from terrestrial sedimentation and evaporation of brines . Brines within the salt lake are formed by solar concentration, with brines hosted within sedimentary units, which are unknown beyond 2 m depth. Geology was recorded during the auger drilling of all the holes
<i>Further work</i>	<ul style="list-style-type: none"> The company will undertake ground geophysics and consider drilling on the tenements once the next auger sampling programme has been completed and results assessed.

Competent Person's Statement – Kachi Lithium Brine Project

The information contained in this ASX release relating to Exploration Results has been compiled by Mr Andrew Fulton. Mr Fulton is a Hydrogeologist and a Member of the Australian Institute of Geoscientists and the Association of Hydrogeologists. Mr Fulton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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.

Andrew Fulton is an employee of Groundwater Exploration Services Pty Ltd and an independent consultant to Lake Resources NL. Mr Fulton consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from initial exploration at the Kachi project.

SCHEDULE OF TENEMENTS (Appendix 5B)

TOTAL NUMBER TENEMENTS: **58**

TOTAL AREA TENEMENTS: **100,721 Ha**

REF	TENEMENT NAME	NUMBER	AREA Ha	INTEREST %	PROVINCE	STATUS
	OLAROZ - CAUCHARI AREA					
	Cauchari Bajo I	2156-P-2016	375	100	Jujuy	Application
	Cauchari Bajo II	2157-P-2016	363	100	Jujuy	Application
	Cauchari Bajo III	2158-P-2016	125	100	Jujuy	Application
	Cauchari Bajo IV	2155-P-2016	30	100	Jujuy	Application
	Cauchari Bajo V	2154-P-2016	952	100	Jujuy	Application
	Cauchari Bajo VI	2159-P-2016	32	100	Jujuy	Application
	Cauchari Centro I	2150-P-2016	32	100	Jujuy	Application
	Cauchari Centro II	2151-P-2016	10	100	Jujuy	Application
	Cauchari Centro III	2152-P-2016	10	100	Jujuy	Application
	Cauchari Centro IV	2153-P-2016	10	100	Jujuy	Application
	Cauchari West I	2160-P-2016	1938	100	Jujuy	Application
	Cauchari West II	2161-P-2016	10	100	Jujuy	Application
	Olaroz Centro I	2163-D-2016	35	100	Jujuy	Application
	Olaroz Centro II	2164-D-2016	268	100	Jujuy	Application
	Olaroz Centro III	2165-D-2016	25	100	Jujuy	Application
	Olaroz Centro IV	2166-D-2016	32	100	Jujuy	Application
	Olaroz East I	2167-D-2016	3344	100	Jujuy	Application
	Olaroz East II	2168-D-2016	2072	100	Jujuy	Application
	Olaroz East III	2169-D-2016	3033	100	Jujuy	Application
	Olaroz East IV	2170-D-2016	3034	100	Jujuy	Application
	Olaroz East V	2171-D-2016	3007	100	Jujuy	Application
	PASO AREA					
	Paso I	2135-P-2016	3482	100	Jujuy	Application
	Paso II	2136-P-2016	3196	100	Jujuy	Application
	Paso III	2137-P-2016	2950	100	Jujuy	Application
	Paso IV	2138-P-2016	2985	100	Jujuy	Application
	Paso V	2139-P-2016	3195	100	Jujuy	Application
	Paso VI	2140-P-2016	2210	100	Jujuy	Application
	Paso VII	2141-P-2016	3227	100	Jujuy	Application
	Paso VIII	2142-P-2016	3070	100	Jujuy	Application
	Paso IX	2143-P-2016	3321	100	Jujuy	Application
	Paso X	2144-P-2016	1913	100	Jujuy	Application

REF	TENEMENT NAME	NUMBER	AREA Ha	INTEREST %	PROVINCE	STATUS
	KACHI AREA					
	Kachi Inca	13-D-2016	1273	100	Catamarca	Granted
	Kachi Inca I	16-D-2016	2880	100	Catamarca	Granted
	Kachi Inca II	17-D-2016	2823	100	Catamarca	Granted
	Kachi Inca III	47-M-2016	3354	100	Catamarca	Granted
	Kachi Inca IV	46-M-2016	186	100	Catamarca	Application
	Kachi Inca V	45-M-2016	310	100	Catamarca	Application
	Kachi Inca VI	44-M-2016	110	100	Catamarca	Granted
	Dona Amparo I	22-D-2016	3000	100	Catamarca	Granted
	Dona Carmen	24-D-2016	873	100	Catamarca	Granted
	Debbie I	21-D-2016	1501	100	Catamarca	Granted
	Divina Victoria I	25-D-2016	1265	100	Catamarca	Granted
	Daniel Armando	23-D-2016	2115	100	Catamarca	Granted
	Daniel Armando II	97-M-2016	1387	100	Catamarca	Granted
	Maria Luz	34-M-2017	2573	100	Catamarca	Application
	Maria II	14-D-2016	888	100	Catamarca	Granted
	Maria III	15-D-2016	1395	100	Catamarca	Granted
	Morena 1	72-M-2016	3024	100	Catamarca	Granted
	Morena 2	73-M-2016	2989	100	Catamarca	Granted
	Morena 3	74-M-2016	3007	100	Catamarca	Granted
	Morena 6	75-M-2016	1606	100	Catamarca	Granted
	Morena 7	76-M-2016	2805	100	Catamarca	Granted
	Morena 8	77-M-2016	2961	100	Catamarca	Granted
	Morena 12	78-M-2016	2704	100	Catamarca	Granted
	Morena 13	79-M-2016	3024	100	Catamarca	Granted
	Pampa I	129-S- 2013	2312	100	Catamarca	Granted
	Pampa II	128-S- 2013	1119	100	Catamarca	Granted
	Pampa III	130-S- 2013	477	100	Catamarca	Granted
58			100721	100		

CATAMARCA PEGMATITES		OPTION				
	Petra I, II, III, IV	Cateos	40000	option	Catamarca	Granted
	Petra V, VI, VII, VIII	Cateos	30000	option	Catamarca	Application
	Aguada I, II, III, IV	Minas	9500	option	Catamarca	Application

REF	TENEMENT NAME	NUMBER	AREA Ha	INTEREST %	PROVINCE	STATUS
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OLAROZ - CAUCHARI & PASO REAPPLICATION AREA						
	MASA 1	2223-M-2016	375	100	Jujuy	Application
	MASA 2	2224-M-2016	363	100	Jujuy	Application
	MASA 3	2225-M-2016	125	100	Jujuy	Application
	MASA 4	2226-M-2016	952	100	Jujuy	Application
	MASA 5	2227-M-2016	1937	100	Jujuy	Application
	MASA 6	2228-M-2016	268	100	Jujuy	Application
	MASA 7	2229-M-2016	2072	100	Jujuy	Application
	MASA 8	2230-M-2016	2950	100	Jujuy	Application
	MASA 9	2231-M-2016	2985	100	Jujuy	Application
	MASA 10	2232-M-2016	2210	100	Jujuy	Application
	MASA 11	2233-M-2016	1913	100	Jujuy	Application
	MASA 12	2234-M-2016	3000	100	Jujuy	Application
	MASA 13	2235-M-2016	3000	100	Jujuy	Application
	MASA 14	2236-M-2016	3000	100	Jujuy	Application
	MASA 15	2237-M-2016	3000	100	Jujuy	Application
	MASA 16	2238-M-2016	3000	100	Jujuy	Application
	MASA 17	2239-M-2016	3000	100	Jujuy	Application
	MASA 18	2240-M-2016	3000	100	Jujuy	Application
	MASA 19	2241-M-2016	3000	100	Jujuy	Application
	MASA 20	2242-M-2016	3000	100	Jujuy	Application
	MASA 21	2243-M-2016	3000	100	Jujuy	Application
	MASA 22	2244-M-2016	2548	100	Jujuy	Application
	MASA 23	2245-M-2016	2406	100	Jujuy	Application
	23 Lease Applications		51104 Ha	100% LKE		

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

LAKE RESOURCES N.L.

ABN

49 079 471 980

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(215)	(215)
(b) development		
(c) production		
(d) staff costs	(66)	(66)
(e) administration and corporate costs	(187)	(187)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(468)	(468)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

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

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options		
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
3.10 Net cash from / (used in) financing activities		

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,397	1,397
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(468)	(468)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		
4.4 Net cash from / (used in) financing activities (item 3.10 above)		
4.5 Effect of movement in exchange rates on cash held		
4.6 Cash and cash equivalents at end of period	929	929

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	929	1,397
5.2 Call deposits		
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)	929	1,397

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	66
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	

Remuneration and fees paid to Directors

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	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(261)
9.2 Development	
9.3 Production	
9.4 Staff costs	(106)
9.5 Administration and corporate costs	(183)
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	(550)

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				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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:**31 OCTOBER 2017**....

Print name:**ANDREW BURSILL**.....

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