

Quarterly Report – March 2016

Highlights

- As previously reported, in December 2015, Tungsten Mining completed the acquisition of the Australian tungsten exploration assets of ATC Alloys Ltd (formerly Hazelwood Resources Ltd) comprising the Mt Mulgine and Big Hill tungsten assets (“Projects”).
- The Mt Mulgine and Big Hill Projects together represent a tungsten resource inventory of 88.2 million tonnes at 0.17% WO₃, representing more than 15 million MTU (metric tonne units) of WO₃.
- Following acquisition of the Projects, the Company’s exploration and development activities have focused on consolidating geological, metallurgical and associated project information, validating and updating databases and planning future exploration and development activities.
- Tungsten Mining is conducting a review of the existing JORC-2004 Mineral Resources at Big Hill and Mulgine Hill with the objective of publishing a JORC-2012 compliant Mineral Resource estimate in the near future. Specialist independent consulting geologists have been engaged to complete the Mineral Resource estimate.
- Tungsten Mining has developed a Strategic Development Plan for the Mt Mulgine Project directed towards the production of tungsten concentrate within 2 years. A staged development approach will be adopted with the initial focus on the Mulgine Hill deposit while concurrently progressing metallurgical test work and development activities on the significantly larger Mulgine Trench deposit. This strategy aims to produce early cash flow and ensure tungsten production is sustainable long term.
- \$1.92m was raised by way of private placement with an allotment of 48,000,000 fully paid ordinary shares on 15 January 2016 to sophisticated and institutional investors at a price of 4 cents per share.
- During the quarter, the Company received an R&D Tax Incentive of \$0.47m in relation to eligible R&D activities undertaken on the Kilba Project in the 2015 financial year. This brought the aggregate R&D Tax Incentive received for 2014/15 to \$0.5m.
- The Company’s cash position as at 31 March 2016 was \$2.01m, which places the Company in a sound financial position and capacity to implement its Strategic Development Plan for the Mt Mulgine Project.



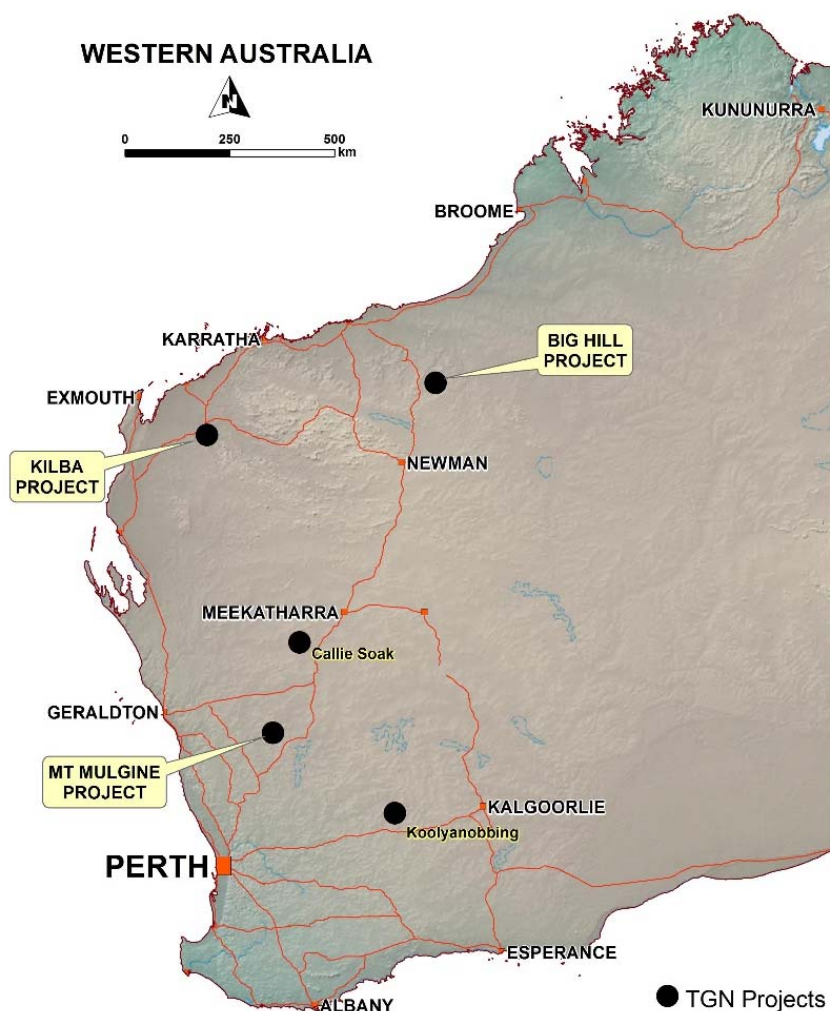
Major Project Acquisition

In December 2015, Tungsten Mining NL (ASX:TGN) ("the Company") announced that it had completed acquisition of the Australian tungsten exploration assets of ATC Alloys Ltd (formerly Hazelwood Resources Ltd) comprising the Mt Mulgine and Big Hill tungsten assets ("Projects").

The Mt Mulgine project comprises 100% of the tungsten and molybdenum rights on a group of tenements located 350km NNE of Perth, Western Australia. The Mt Mulgine Project has been subject to significant previous exploration and evaluation. Two near surface Mineral Resources have been identified at Mt Mulgine, the *Mulgine Hill* Deposit and *Mulgine Trench* Deposit.

The 100%-owned Big Hill project, located in the East Pilbara of Western Australia hosts a JORC-2004 Measured & Indicated Mineral Resource estimate. Hazelwood reported that pilot-scale test-work showed excellent processing characteristics producing high-quality tungsten concentrate.

Figure 1 –Project location map



The Mt Mulgine and Big Hill Projects together represent a tungsten resource inventory of 88.2 million tonnes at 0.17% WO₃, representing more than 15 million MTU (metric tonne units) of WO₃. Further details on the Mineral Resource estimates for the Projects and the individual projects can be found in the June Quarterly Report of Hazelwood's released to ASX on 31 July 2015 (an extract of which is set out below at Table 1).

Extract from the June 2015 Quarterly Report of ATC Alloys Ltd (formerly Hazelwood Resources Ltd)

Table 1 Hazelwood Resources Ltd - Tungsten Resources¹ at 0.1% WO₃ cut-off

The Trench (Mt Mulgine) JORC 2012 compliant				
Category	Million Tonnes	% WO ₃	MTU (Metric tonne units) WO ₃	Contained tungsten W (tonnes)
Indicated	0.4	0.14	50,000	400
Inferred	63.4	0.17	11,050,000	87,600
Mulgine Hill (Mt Mulgine) JORC 2004 compliant				
	Million Tonnes	% WO ₃	MTU WO ₃	Contained tungsten W (tonnes)
Indicated	5.9	0.22	1,300,000	10,300
Inferred	2.3	0.17	400,000	3,200
Big Hill (Pilbara) JORC 2004 compliant				
	Million Tonnes	% WO ₃	MTU WO ₃	Contained tungsten W (tonnes)
Measured	9.5	0.16	1,540,000	12,200
Indicated	4.5	0.16	700,000	5,600
Inferred	2.2	0.14	300,000	2,400
Total Tungsten Mineral Resource				
	Million Tonnes	% WO ₃	MTU WO ₃	Contained tungsten W (tonnes) ²
Total	88.2	0.17	15,347,000	121,700

1 Refer ASX (ATA) Announcement 5 November 2014, "Hazelwood continues to increase tungsten resource"

2 Note that 121,700 tonnes of contained tungsten (W) equates to 153,470 tonnes of contained tungsten trioxide (WO₃).

Consideration for the purchase was the cash sum of \$1,000,000 and the issue of 5,000,000 fully paid ordinary shares in Tungsten Mining ("Consideration Shares"). The Consideration Shares are subject to a 12 month voluntary escrow period.

The transaction represents a significant milestone in the relatively brief history of Tungsten Mining NL. The acquisition, achieved at a low point in the commodity cycle, provides substantial upside and the platform upon which to build a business of scale and become a significant player within the tungsten industry.

Mt Mulgine Project, Mid-West WA

The Mt Mulgine Project is located within the Midwest Region of Western Australia, approximately 350km north northeast of Perth. Tungsten Mining has 100% of the tungsten and molybdenum rights on a contiguous group of tenements that have been the subject of significant previous exploration for tungsten and molybdenum.

Two near surface Mineral Resources have been delineated by previous explorers at the *Mulgine Trench* and *Mulgine Hill* deposits. Currently, there is a combined Mineral Resource estimate of 71.9Mt at 0.18% WO₃ (0.10% WO₃ cut-off). A breakdown of this resource is presented in Table 1 on page 3 of this report.

Historical metallurgical testwork conducted in the 1970s/1980s indicates tungsten is present as coarse-grained scheelite that will respond well to conventional gravity separation and is capable of producing saleable concentrate.

Geology

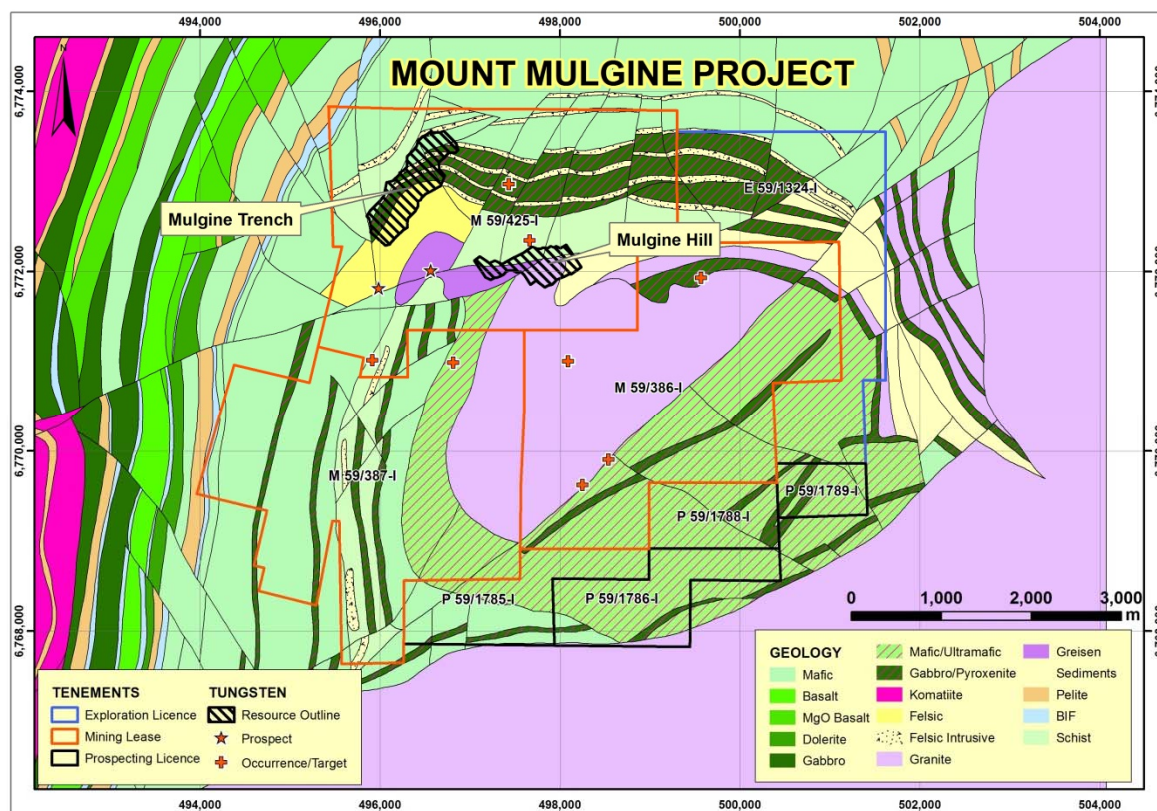
Tungsten-molybdenum mineralisation at Mt Mulgine is associated with the Mulgine Granite - a high-level leucogranite forming a 2km stock intruding the Mulgine anticline. The granite intrudes a greenstone sequence composed of micaceous schists, amphibolite and talc-chlorite schist, which were formerly metasediments, mafic and ultramafic rocks respectively.

The intrusion is associated with intense hydrothermal alteration with late stage fluids containing tungsten, molybdenum, gold, silver, bismuth and fluorite. Mineralisation is zoned as follows:

- Porphyry-style molybdenum-only mineralization in the core of the granite.
- Principally tungsten mineralisation with accessory molybdenum, bismuth and fluorite at the Mulgine Hill Prospect on the granite contact.
- Tungsten and molybdenum mineralisation with accessory precious metals at the Mulgine Trench Prospect.

Exploration potential is excellent with numerous open positions at Mulgine Trench and Mulgine Hill.

Figure 2 –Mt Mulgine project geology



Development Strategy

Tungsten Mining is implementing a staged approach to the development of the Mt Mulgine Project that will support low capital start-up costs, directed at demonstrating a (short) pathway to positive cashflow for the project and in turn Tungsten Mining's shareholders. Initial work is proposed to build on existing metallurgical test-work results to produce an economic extraction method for WO₃ and other valuable metals within the deposits. An update of the existing Mineral Resources to a JORC-2012 Indicated status is also proposed in the near term.

Big Hill Project, Eastern Pilbara, WA

The Big Hill Project area is located approximately 30 km northeast of the Nullagine township in the Eastern Pilbara of Western Australia. The project contains the Big Hill deposit where 7,400 metres of diamond and RC drilling have defined a JORC-2004 Mineral Resource estimate of 16.2Mt at 0.16% WO₃. A breakdown of this resource is presented in Table 1 on page 3 of this report.

Metallurgical testwork conducted on samples from Big Hill at bench and pilot scale have produced high quality tungsten concentrates at acceptable scheelite recoveries. This work has identified a simple and potentially low cost processing route.

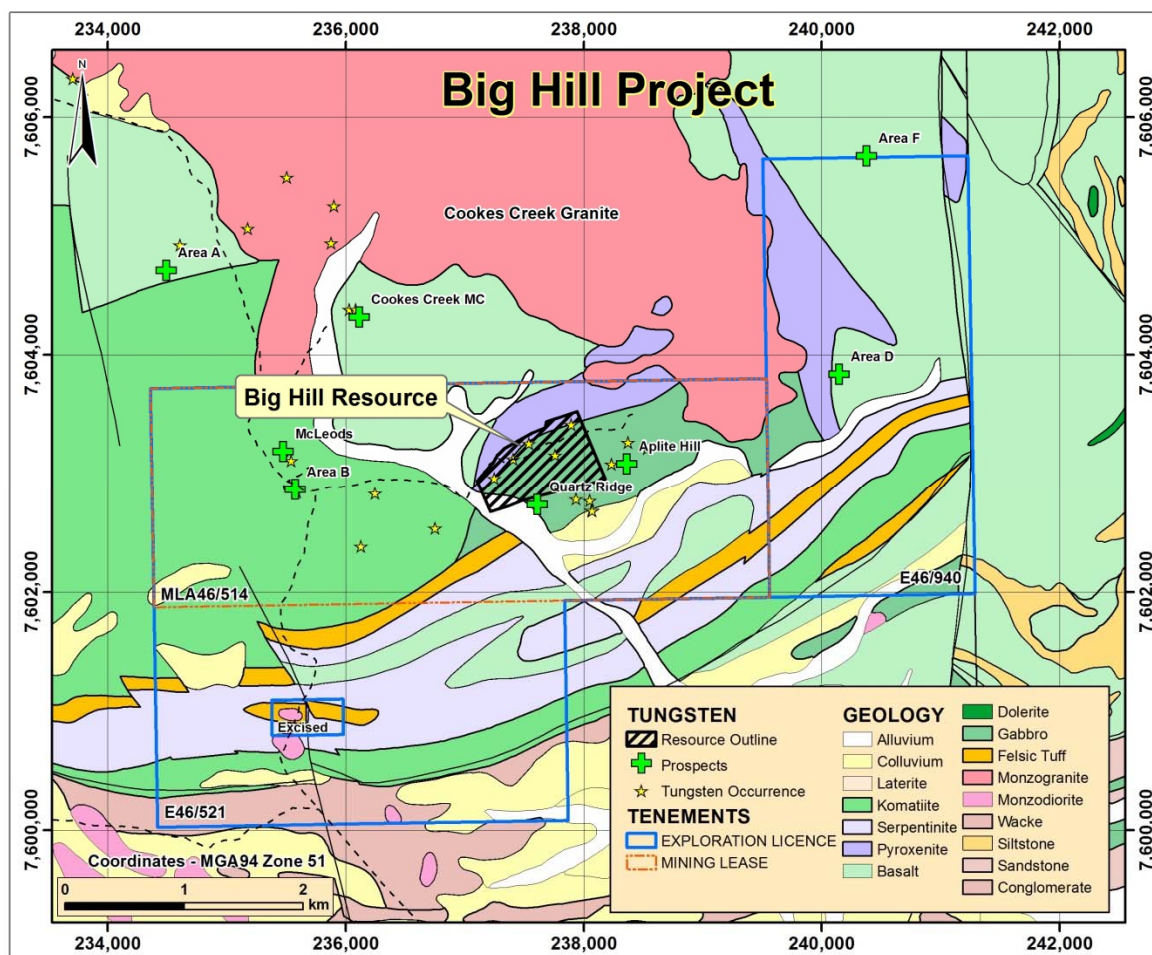
Tungsten Mining are conducting a review of the existing JORC-2004 Mineral Resource at Big Hill with the objective of publishing a JORC-2012 compliant resource estimate in the near future.

Geology

Tungsten mineralisation at Big Hill is associated with vein-hosted scheelite within a tremolite-rich unit on the western margins of the Cookes Creek granite. The geometry of the Big Hill deposit is controlled by the overall shape of the tremolite-rich unit and the density of veins that host scheelite mineralisation.

Historical exploration identified additional targets that have not been adequately tested and warrant further investigation.

Figure 3 –Big Hill project geology



Kilba Project, Ashburton Region, WA

The Kilba Project is located within the Ashburton Region of Western Australia, 250km southwest of Karratha. To date, Tungsten Mining have focused on the historic Zones 8, 11 and 12 that Union Carbide discovered in the 1970s. Drilling has targeted high-grade tungsten mineralisation associated with skarns and calc-silicate units situated close to the Kilba granite.

This work has defined a JORC-2012 compliant Mineral Resource of 5.0Mt at 0.24% WO₃ (0.10% WO₃ cut-off). A breakdown of this resource is presented below in the JORC Resource Statements section.

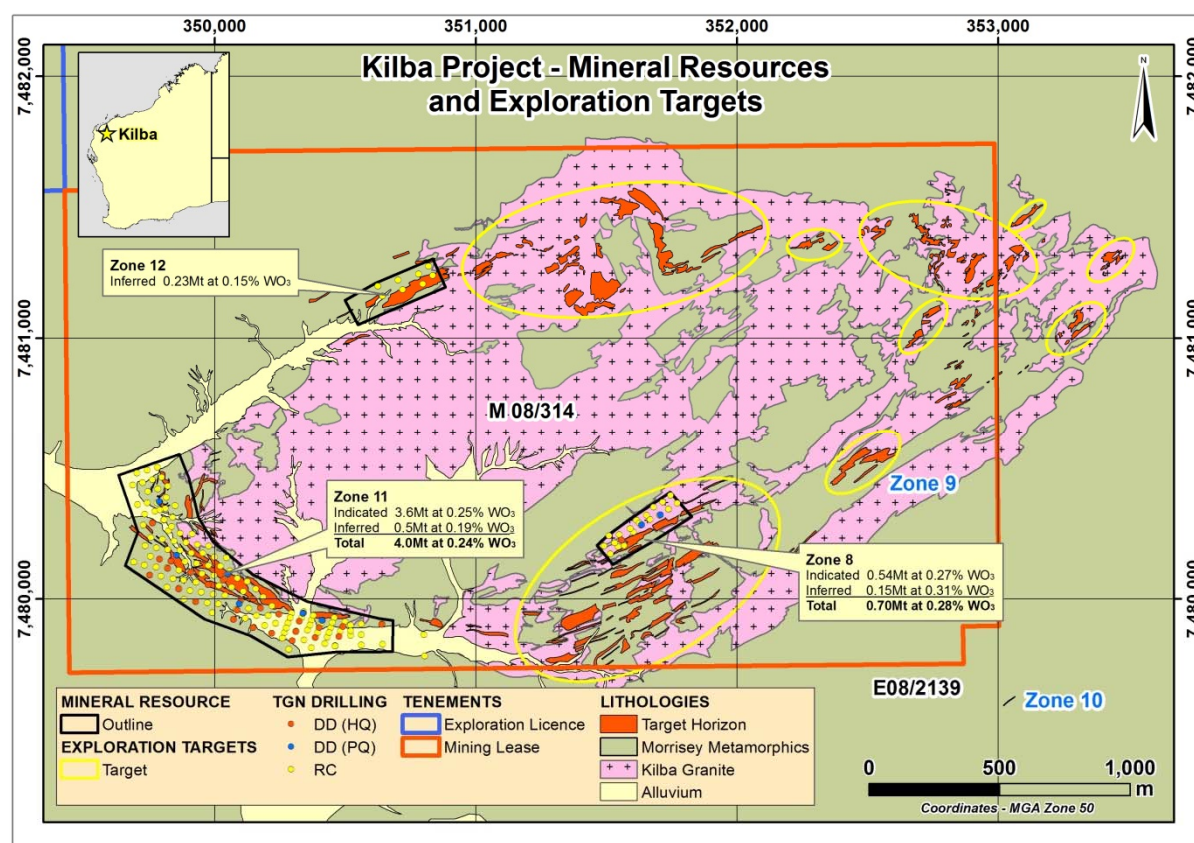
Metallurgical testwork shows that the tungsten is present as coarse-grained scheelite that will respond well to conventional gravity separation. Testwork completed in 2015 has demonstrated the ability to produce an extremely high grade tungsten concentrate.

Geology

Tungsten mineralisation at Kilba is associated with skarns and calc-silicate units that wrap around the Kilba granite forming a dome structure. These skarns and calc-silicate units occur in a 40 to 100 metre wide carbonate-rich unit of the Morrissey Metamorphic suite and recent mapping has defined significant strike lengths of this unit around the Kilba granite.

Drilling has only targeted a small portion of mapped skarns and there is excellent potential to discover additional tungsten mineralisation.

Figure 4 – plan displaying location of recent drilling and Mineral Resource at the Kilba Project



In May 2013, the Company announced a Maiden Indicated and Inferred Mineral Resource at Zone 8 and Zone 11 of the Kilba project (ASX announcement; 31 May 2013). During the second half of 2014, the Company completed a phased drilling program to increasing the confidence level of the Kilba Mineral Resource at Zones 8 and 11 to an Indicated status in support of future detailed feasibility studies. Drilling was completed to infill sections to a 40 metre spacing over the entire May 2013 Mineral Resource.

Mineral Resource

In January 2015, the Company announce an updated JORC-2012 Indicated and Inferred Mineral Resource of 5.0 million tonnes at 0.24% WO₃ at Zones 8, 11 and 12 of the Kilba Project (Refer to Table 2). The Mineral Resource estimate has been completed by CSA Global Pty Ltd in accordance with the guidelines of the Joint Ore Reserve Committee (JORC) Code – 2012 Edition (refer to ASX announcement; 30 January 2015). The Mineral Resource is located on the Company's 100%-owned Mining Lease 08/314 situated in the Ashburton Region of Western Australia.

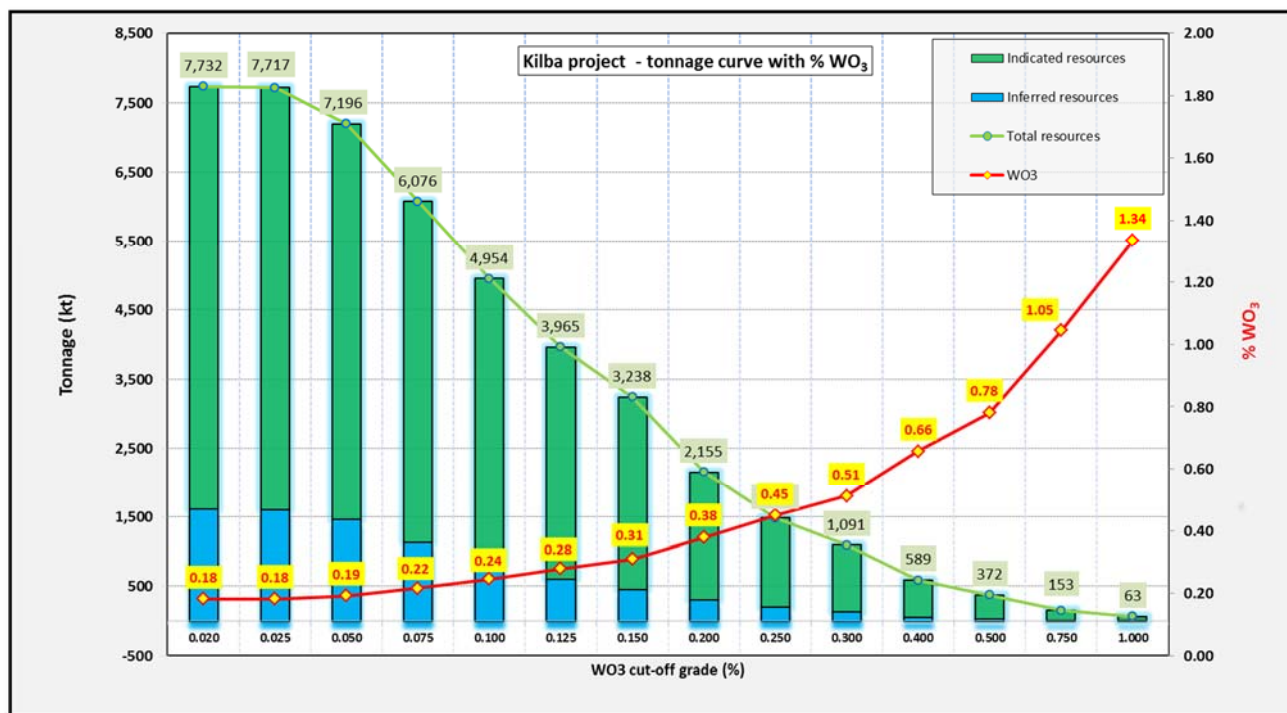
Table 2: Kilba Mineral Resource estimate based on a 0.10% WO₃ cut-off grade.

Prospect	Class	Tonnes '000 t	WO ₃ %	WO ₃ t
Zone 8	Indicated	540	0.27	1,500
	Inferred	150	0.31	500
	Total	700	0.28	1,900
Zone 11	Indicated	3,600	0.25	9,000
	Inferred	460	0.19	900
	Total	4,000	0.24	9,800
Zone 12	Inferred	230	0.15	400
	Total	230	0.15	400
Total	Indicated	4,100	0.25	10,400
	Inferred	830	0.20	1,700
	Total	5,000	0.24	12,100

Note: Totals may differ from sum of individual numbers as numbers have been rounded to two significant figures in accordance with the Australian JORC code 2012 guidance on Mineral Resource reporting.

Grade Tonnage Curve

Figure 5– Grade tonnage curve for January 2015 Mineral Resource for Kilba Project.



No additional study work was undertaken on the Kilba project during the March quarter.

Exploration and Development Activity – March 2016 Quarter

Following completion of the Mt Mulgine and Big Hill projects acquisitions, work has focused on consolidation and validation of data, and forward planning of future activities. Tungsten Mining has developed a Strategic Development Plan for the Mt Mulgine Project directed towards the production of tungsten concentrate within 2 years. A staged development approach will be adopted with the initial focus on the Mulgine Hill deposit while concurrently progressing metallurgical test work and development activities on the significantly larger Mulgine Trench deposit. This strategy aims to produce early cash flow and ensure tungsten production is sustainable long term.

Tungsten Mining are conducting a review of the existing JORC-2004 Mineral Resources at Big Hill and Mulgine Hill with the objective of publishing a JORC-2012 compliant resource estimate. This process involves validation of the drill database, QAQC checks and confirmation of geological interpretations. External consultants have been assisting Tungsten Mining with upgrading the Big Hill and Mulgine Hill Mineral Resources to the standards required by the JORC-2012 Code.

Work to date has defined significant shallow tungsten mineralisation at Mulgine Hill that is open toward the surface. Tungsten Mining are planning a shallow reverse circulation drilling program targeting these zones to increase the near-surface resource. Large diameter diamond drilling is also planned at Mulgine Hill to provide material for testwork to confirm previous metallurgical studies that indicated simple metallurgical treatment produces a saleable WO₃ concentrate.

Tungsten Mining are also progressing the much larger Mulgine Trench Deposit with diamond drilling planned to provide material for metallurgical tests. Work will focus on understanding the distribution and mineralogy of tungsten mineralisation and potential methods of extraction.

Other Projects

Tungsten Mining have a portfolio of other projects in Western Australia prospective for tungsten. These include Loves Find and Whiskey Pool in the Ashburton region (which also hosts the Kilba Project), and the Koolyanobbing Project.

Work on these projects is in the initial stages of reconnaissance and target generation and it is hoped that these tenements will yield additional mineralisation of a similar nature to Kilba, which Tungsten Mining can exploit.

Ashburton Region

The Ashburton region includes the Loves Find and Whiskey pool projects that are in close proximity to the Kilba Project. Exploration is at an early stage for all regions and work is planned to progress these projects.

At Loves Find, geological mapping, UV lamping and rockchip has identified significant tungsten mineralisation associated with garnet-epidote-clinzoisite-diopside skarns. Two selective rockchip samples from these skarns returned assays of 4.2% WO₃ and 5.6 WO₃.

The Whiskey Pool project hosts tungsten targeted by a prospector in the 1980s. Mineralisation is associated with steeply dipping vein-hosted wolframite in the Morrisey Metamorphics, south of the Ashburton River. Surface sampling of from historical workings returned an assay of 7.74% WO₃.

Koolyanobbing Project – Seabrook Rare Metals Venture

Tungsten Mining entered into a binding agreement with Lithium Australia NL (ASX: LIT) that provides for LIT to explore for lithium and other metals, on the shores of Lake Seabrook, approximately 60km north-east of Southern Cross, Western Australia. The agreement concerns tenements comprising Tungsten Mining's Koolyanobbing Project, notably E77/1853, E77/1854, E77/1855, E77/2021, E77/2022 and E77/2035 and extends to an area of influence of 20km outside of the Tungsten Mining's Tenements.

The Seabrook Rare Metals Venture provides LIT with a right to earn an 80% interest to all metals other than tungsten, the right of which remain or are vested in Tungsten Mining.

Corporate

\$1.92m was raised by way of private placement with an allotment of 48,000,000 fully paid ordinary shares on 15 January 2016 to sophisticated and institutional investors at a price of 4 cents per share ("Placement").

The Placement was undertaken to fund working capital and the Company's project development activities following the earlier settlement of the acquisition of the Mt Mulgine and Big Hill tungsten projects from Hazelwood Resources Limited. The Placement was made in accordance with the company's placement capacity under ASX Listing Rule 7.1 and 7.1A.

During the March quarter Tungsten Mining received an R&D Tax Incentive refund of \$0.472m in relation to eligible R&D activities undertaken on the Kilba Project in the 2015 financial year. This brought the aggregate R&D Tax Incentive received for 2014/15 to \$0.495m.

Cash at bank and on deposit at the end of March 2016 was \$2.01m.

June Quarter Activities

During the June quarter, the Company will continue to deliver on its strategic development plan to;

- Demonstrate a path to WO₃ production and cash flow within 2 years;
- Increase the Hill deposit resource by targeting previously drilled “open” areas and
- Continue to gain a greater understanding of the metallurgy of the oxide layer of the Trench deposit.

During the June quarter, the Company intends to complete the review of the existing JORC-2004 Mineral Resources at Big Hill and Mulgine Hill and publish a JORC-2012 compliant resource estimate.

A shallow reverse circulation drilling program targeting significant near surface tungsten mineralisation at the Mulgine Hill deposit is planned for the June quarter. At the same time it is proposed to complete a large diameter diamond drilling program. This will provide material for test work to confirm previous metallurgical studies that indicated simple metallurgical treatment produces a saleable WO₃ concentrate.

The Company will also progress discussions with equipment vendors and suppliers in relation to processing plant options that would suit the planned activities at Mt Mulgine and research facilities able to contribute to the development of the Mulgine Trench deposit.

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Competent Person's Statement

The information in this report that relates to Exploration Targets and Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Peter Bleakley, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Bleakley is not a full-time employee of the company. Mr Bleakley is a consultant to the mining industry. Mr Bleakley 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'. Mr Bleakley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where the Company refers to the Kilba Resource Upgrade referencing the release made to the ASX on 30 January 2015 it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the resource estimate with that announcement continue to apply and have not materially changed.

About Tungsten Mining

Emerging tungsten developer, Tungsten Mining NL is an Australian based resources company listed on the Australian Securities Exchange. The Company's prime focus is the exploration and development of tungsten projects in Australia.

Tungsten (chemical symbol W), occurs naturally on Earth, not in its pure form but as a constituent of other minerals, only two of which support commercial extraction and processing - wolframite ((Fe, Mn)WO₄) and scheelite (CaWO₄).

Tungsten has the highest melting point of all elements except carbon – around 3400°C giving it excellent high temperature mechanical properties and the lowest expansion coefficient of all metals. Tungsten is a metal of considerable strategic importance, essential to modern industrial development (across aerospace and defence, electronics, automotive, extractive and construction sectors) with uses in cemented carbides, high-speed steels and super alloys, tungsten mill products and chemicals.

Tungsten Mining has three advanced tungsten projects in Australia: the Mt Mulgine Project in the Murchison region, the Big Hill Project in the Pilbara region and the Kilba Project in the Ashburton region of Western Australia. The Mt Mulgine, Big Hill and Kilba Projects, together represent a tungsten resource inventory of 93.1 Million tonnes at 0.18% WO₃, representing more than 16.5 million MTU (metric tonne units) of WO₃ at a 0.10% cut-off grade, making it one of the largest tungsten resource inventories held by an ASX-listed company.

Tungsten Mining is currently identifying opportunities for near term tungsten production, particularly from the Mulgine Trench and Mulgine Hill deposits within the Mt Mulgine Project.

Tenement Summary

Tenement Name	Tenement	Interest held at 31 Dec 2015	Interest acquired/ disposed of during quarter	Interest Held at 31 Mar 2016
Whiskey Pool	E08/1812	100%	N/A	100%
Moodong Well	E08/2139	100%	N/A	100%
Loves Find^	E08/2207	100%	N/A	100%
Loves Find^	M08/286	100%	N/A	100%
Loves Find^	M08/287	100%	N/A	100%
Kilba Well^	M08/314	100%	N/A	100%
Kilba Well	M08/2780	PENDING	N/A	PENDING
Green Gate Granite^	M08/493	100%	N/A	100%
Green Gate Granite^	L08/82	100%	N/A	100%
Green Gate Granite^	L08/83	100%	N/A	100%
Mt Murray 2	E08/2641	100%	relinquished	Nil
Koolyanobbing	E77/1853	100% mineral rights for tungsten, 20% for other commodities	N/A	100% mineral rights for tungsten, 20% for other commodities
Koolyanobbing	E77/1854	"	N/A	"
Koolyanobbing	E77/1855	"	N/A	"
Koolyanobbing	E77/2021	"	N/A	"
Koolyanobbing	E77/2022	"	N/A	"
Koolyanobbing	E77/2035	"	N/A	"
Koolyanobbing*	E77/2279	"	N/A	"
Callie Soak	E20/854	PENDING	N/A	PENDING
Mt Mulgine**	E59/1324-I	100% mineral rights for tungsten and molybdenum	N/A	100% mineral rights for tungsten and molybdenum
Mt Mulgine**	M59/386-I	"	N/A	"
Mt Mulgine**	M59/387-I	"	N/A	"
Mt Mulgine**	M59/425-I	"	N/A	"
Mt Mulgine**	P59/1785-I	"	N/A	"
Mt Mulgine**	P59/1786-I	"	N/A	"
Mt Mulgine**	P59/1788-I	"	N/A	"
Mt Mulgine**	P59/1789-I	"	N/A	"
Big Hill**	E46/521-I	100%	N/A	"
Big Hill**	E46/692	"	relinquished	Nil
Big Hill**	E46/940	"	N/A	"
Big Hill**	L46/70	"	N/A	"
Big Hill**	M46/514	PENDING	N/A	PENDING

* This tenement is held by Lithium Australia NL and subject to the terms of the Seabrook Rare Metals Venture

**Big Hill tenements and Mt Mulgine mineral rights acquired pursuant to Sale of Mining Interests Agreement between Tungsten Mining, Hazelwood Resources Ltd, Big Hill Resources Ltd and others and dated 3 December 2015. Big Hill project tenements remain registered in the name of Hazelwood Resources Ltd and Bighill Resources Ltd pending registration of the tenement transfers by the Department of Mines and Petroleum. Mt Mulgine tenements are registered in the name of Minjar Gold Pty Ltd.

^ Tungsten Mining holds 100% of mineral rights excluding non-metal substances

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

Tungsten Mining NL

ABN

67 152 084 403

Quarter ended ("current quarter")

31 March 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(226)	(488)
(b) development	-	-
(c) production	-	-
(d) administration	(171)	(437)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	11
1.5 Interest and other costs of finance paid	(30)	(30)
1.6 Income taxes paid	-	-
1.7 Other (R&D Tax Incentive offset refund)	470	496
Net Operating Cash Flows	50	(448)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	(143)	(1,162)
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	18
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(143)	(1,144)
1.13 Total operating and investing cash flows (carried forward)	(93)	(1,592)

+ 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 (brought forward)	(93)	(1,592)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.(refer note 6)	243	1,920
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	1,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Share issue costs paid)	(96)	(96)
	Net financing cash flows	147	2,824
	Net increase (decrease) in cash held	54	1,232
1.20	Cash at beginning of quarter/year to date	277	776
1.21	Adjustment for restricted cash that was held to item 1.20 in previous quarter (refer note 6)	1,677	-
1.22	Cash at end of quarter	2,008	2,008

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	39
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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

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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	1,000	1,000
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	-
4.3 Production	-
4.4 Administration	175
Total	375

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	258	277
5.2 Deposits at call	1,750	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,008	277

+ 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			
	E08/2641	Relinquished	100%	0%
	E46/692	Relinquished	100%	0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

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	Preference securities			
7.2	(description) Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	*Ordinary securities	263,652,708	263,652,708	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	48,000,000 2,000,000	4 cents N/A	Fully paid

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.5	*Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	15,000,000		<i>Exercise price</i> \$0.400	<i>Expiry date</i> 30 Jun 2016
7.8	Issued during quarter				
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:

Date: 21 April 2016

Print name: Mr Craig Ferrier
CEO

+ See chapter 19 for defined terms.

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.
- 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.
6. On 7 January 2016 the Company announced the completion of a placement of 48 million shares to raise \$1.92m ("Placement"). Placement monies of \$1.68m were received prior to 31 December 2015 and classified as "Restricted Cash" (refer item 1.21). The balance of the Placement monies of \$243k were received in the current quarter and following allotment on 15 January 2015 all amounts received under the Placement were reclassified as cash.

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