ASX Announcement

Quarterly Report for Period Ended 31 March 2016

Cauldron Energy Ltd

ABN 22 102 912 783

ASX Code CXU

288,002,620 shares

44,000,000 unlisted options

Board of Directors

Tony Sage
Executive Chairman

Qiu Derong
Non-Executive Director

Judy Li
Non-Executive Director

Mark Gwynne
Non-Executive Director

Management

Catherine Grant
Company Secretary

Jess Oram
Exploration Manager

29 April 2016

QUARTERLY REPORT – 31 MARCH 2016

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 31 March 2016.

Yours faithfully,

Tony Sage
Executive Chairman
Cauldron Energy Limited

HIGHLIGHTS

CORPORATE

- Cauldron Recovers Judgment Debt
- Shares issued
- Options issued
- Funding through the Exploration Incentive Scheme

EXPLORATION & PROJECTS

- Yanrey Uranium Project
  - Bennet Well Uranium Deposit was awarded Lead Agency Project status by the Western Australian Department of Mines and Petroleum (DMP), in the first quarter of 2016, under the WA Lead Agency Framework. This Lead Agency Project status indicates the importance of developing a low-impact, low-cost, In-Situ Recovery extraction method providing a new resource industry skill set for Western Australia and recognises Cauldron's work in defining and understanding uranium mineralisation at Bennet Well and the region for its potential extraction by ISR.
  - Cauldron has initiated the Approvals process for the Field Leach Trials (FLT) in conjunction with both the DMP and the Department of Water (DoW). In January 2016, the DMP provided a regulatory Guidance Note for conducting the FLT under the current Exploration Lease approvals system. Upcoming meetings are scheduled for the second quarter of 2016 with the DMP and DoW for this regulatory work.
  - The Final Report for the Exploration Incentive Scheme, as awarded by the WA Department of Mines and Petroleum (DMP) in June 2015, was submitted in the March quarter of 2016. An interim balance of $120,000 was paid by the DMP earlier in the year and the final balance of $30,000 is expected to be received in the second quarter of 2016.
  - The lithological and hydrogeological framework models for the Bennet Well Deposit are underway by the Cauldron team. Model development involves detailed interpretation work of all drilling data from the Bennet Well deposit and will be used in the planning and organisation of drilling programs for the FLT.
  - Planning has been initiated for a Passive Seismics orientation survey over the Bennet Well deposit in order to prove the efficacy of this exploratory technique prior to its use in surveys across other parts of the wider Yanrey Project area.

- Argentina
  - Cauldron is awaiting judicial approval to allow the commencement of drilling at Rio Colorado
  - Some tenements were approved for surrender following an additional tenement review earlier in the March quarter. The geological significance of these areas was deemed as unlikely to host mineralisation of economic tenor and grad, thus prompting the decision for surrender in favour of focusing exploration activities on more prospective ground such as the Rio Colorado project area.

Cauldron Energy Ltd (**Cauldron** or the **Company**) is pleased to present its Quarterly Activities Report for the period ended 31 March 2016.

CORPORATE ACTIVITIES

Cauldron Recovers Judgment Debt

As previously announced, Cauldron received judgment in its favour in respect of its claim against Beijing Joseph Investment Co. Ltd and Joseph Investment International Limited (the **Joseph Parties**) and Guangrong Investment Management Co. Ltd (**Guangzhou City)**.

The Company issued a statutory demand to Joseph Investment International Limited, a company incorporated in the British Virgin Islands, demanding payment of $2 million plus interest, damages and costs, by 24 March 2016.

On 24 March 2016, Cauldron reached an agreement whereby payment of interest, damages and costs in the amount of $530,539 was made by the Joseph Parties and the remaining $2 million was paid by a third party, MGT Resources Limited (ASX:MGS) (**MGT Resources**), in exchange for the shares and options which were to be issued to the Joseph Parties. This is 100% of the amount owed by the Joseph Parties. Cauldron would like to take this opportunity to welcome MGT Resources as Cauldron's newest investor.

The remaining $1 million plus interest is due and payable by Guangzhou City. A holding lock is currently in place over shares owned by Guangzhou City. The Company is enforcing payment of the judgment debt in accordance with the powers under the *Civil Judgments Enforcement Act*.

Shares issued

During the quarter the Company issued the following shares:

- 16,949,176 fully paid shares issued to MGT Resources at $0.118 each for total $2,000,000 (as detailed above).

Options issued

During the quarter the Company issued the following unlisted options:

- 20,000,000 unlisted options exercisable at $0.138 expiring 31 December 2016 to MGT Resources pursuant to a Placement Agreement.

Funding through the Exploration Incentive Scheme

In January 2016, Cauldron received $120,000 from the Department of Mines & Petroleum (**DMP**) under the Exploration Incentive Scheme 2015-16 for drilling at the Yanrey project. This amount is 80% of the total that may be claimed by the Company.

Cash at 31 March 2016

Cash available to the Company at the end of the March 2016 quarter was $3.6 million.

EXPLORATION ACTIVITES: AUSTRALIA

In Australia, Cauldron has two project areas (Figure 1) covering more than 4,500 km^2 in two known uranium provinces in South Australia and Western Australia. Projects include:

- **Yanrey Project** (**Yanrey)** in Western Australia comprises 12 granted exploration licences (1,847 km^2) and 7 applications for exploration licences (1,107 km^2). Yanrey is prospective for large sedimentary-hosted uranium deposits. A joint venture securing two of the exploration licences in the Yanrey Project tenement group (called the Uaroo Joint Venture) expired at the beginning of the September 2015 quarter.

- **Marree Joint Venture** in South Australia comprising five granted exploration licences (2,794 km^2) prospective for sedimentary-hosted uranium deposits of both the Beverley Uranium and Four Mile Uranium style, and for base metal mineralisation.

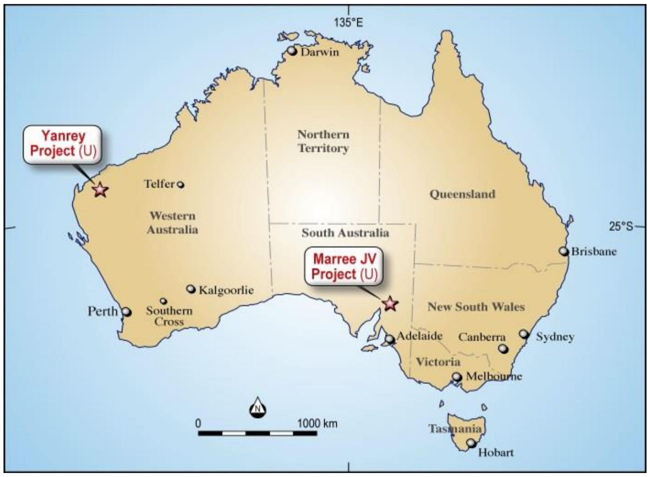

Figure 1: Major Project Locations in Australia

BENNET WELL (YANREY REGION)

The mineralisation at Bennet Well is a shallow accumulation of uranium hosted in unconsolidated sands close to surface (less than 100 m downhole depth) in Cretaceous sedimentary units of the Ashburton Embayment.

The Bennet Well deposit is comprised of three spatially separate deposits; namely Bennet Well East, Bennet Well Central, and Bennet Well South (refer to Figure 2).

Work completed during the reporting period comprised the following:

1. Bennet Well Uranium Deposit was awarded Lead Agency Project status by the Western Australian Department of Mines and Petroleum (DMP), during the quarter, under the WA Lead Agency Framework. The Lead Agency Project status provides the Company with key internal liaison personnel in the DMP to advise and assist Cauldron's team navigate the approvals process as well as indicating the importance of developing a low-impact, low-cost, In-Situ Recovery extraction method that provides a new resource industry skill set for Western Australia. The focus on the Bennet Well deposit recognises Cauldron's work in defining and understanding uranium mineralisation at Bennet Well, and the greater Yanrey region, for its potential extraction by ISR. The Company plans to conduct Field Leach Trials in the June 2016 Quarter, which has been further supported by the publishing of the DMP's Guidance Note for small-scale in-situ field leach trial activities. Cauldron is able to undertake limited scale test work to establish the key environmental and economic understanding necessary to enable the feasibility study work to be completed under the current Exploration Licences. This is in line with the Company's scheduling targeting potential production in 2020. It's noted that these low cost ISR

mining methods do allow economic extraction at current commodity prices. For more information on the Lead Agency Framework, please refer to ASX Announcement dated 12 January 2016.

2. Cauldron has initiated the Approvals process for the Field Leach Trials (FLT) in conjunction with both the DMP and the Department of Water (DoW). During the quarter, the DMP released a regulatory Guidance Note for conducting the FLT under the current Exploration Lease approvals system. A series of meetings are scheduled with both the DMP and DoW in the next quarter, during which the regulatory framework for the FLT work will be confirmed.
3. The Final Report for the Exploration Incentive Scheme, as awarded by the WA Department of Mines and Petroleum (DMP) in June 2015, was submitted in the March 2016 quarter. As detailed above, an interim balance of $120,000 was paid by the DMP earlier this year and the final balance of $30,000 is expected to be received in the next quarter.
4. Work began in the latter half of the December 2015 quarter on the lithological model for the Bennet Well Deposit. Model development has involved the detailed interpretative work of all drilling data from the deposit, using the diamond core holes drilled in 2014 as aids to better, and more accurately, classify the individual lithostratigraphic units. The lithological framework will subsequently be used in the establishment of a hydrogeological model for the deposit with the eventual intention of utilising both models in the planning and design of drilling for the FLT later in the year.
5. Planning has been initiated for a Passive Seismics orientation survey over the Bennet Well deposit in order to prove the efficacy of this exploratory technique prior to its use in surveys across other parts of the wider Yanrey Project area.

In December 2015, Cauldron achieved its objective of increasing the Mineral Resource estimate of the Bennet Well Uranium deposit (Figure 2 and Figure 5).

Ravensgate Mining Industry Consultants completed the Mineral Resource (JORC 2012) estimate for the Bennet Well deposit, using the results of new drilling and interpretation. The upgraded Mineral Resource (JORC 2012) estimate was reported as:

- Inferred Resource: 16.9 Mt at 335 ppm eU_3O_8 for total contained uranium-oxide of 12.5 Mlb (5,670 t) at 150 ppm cut-off;
- Indicated Resource: 21.9 Mt at 375 ppm eU_3O_8 for total contained uranium-oxide of 18.1 Mlb (8,230 t) at 150 ppm cut-off;
- total combined Mineral Resource: 38.9 Mt at 360 ppm eU_3O_8, for total contained uranium-oxide of 30.9 Mlb (13,990 t) at 150 ppm cut-off.

The improvement mass and grade made to the Mineral Resource of the Bennet Well deposit was attributed to:

- the successful delineation of newly discovered mineralisation at Bennet Well Channel returned from mud rotary drilling;
- improved correlation of mineralised lenses following interpretation of recently completed drilling in between Bennet Well East and Bennet Well Central; and
- further refinement of mineralisation domains to guide grade interpolation of laterally extensive mineralised lenses situated adjacent to impermeable sedimentary units.

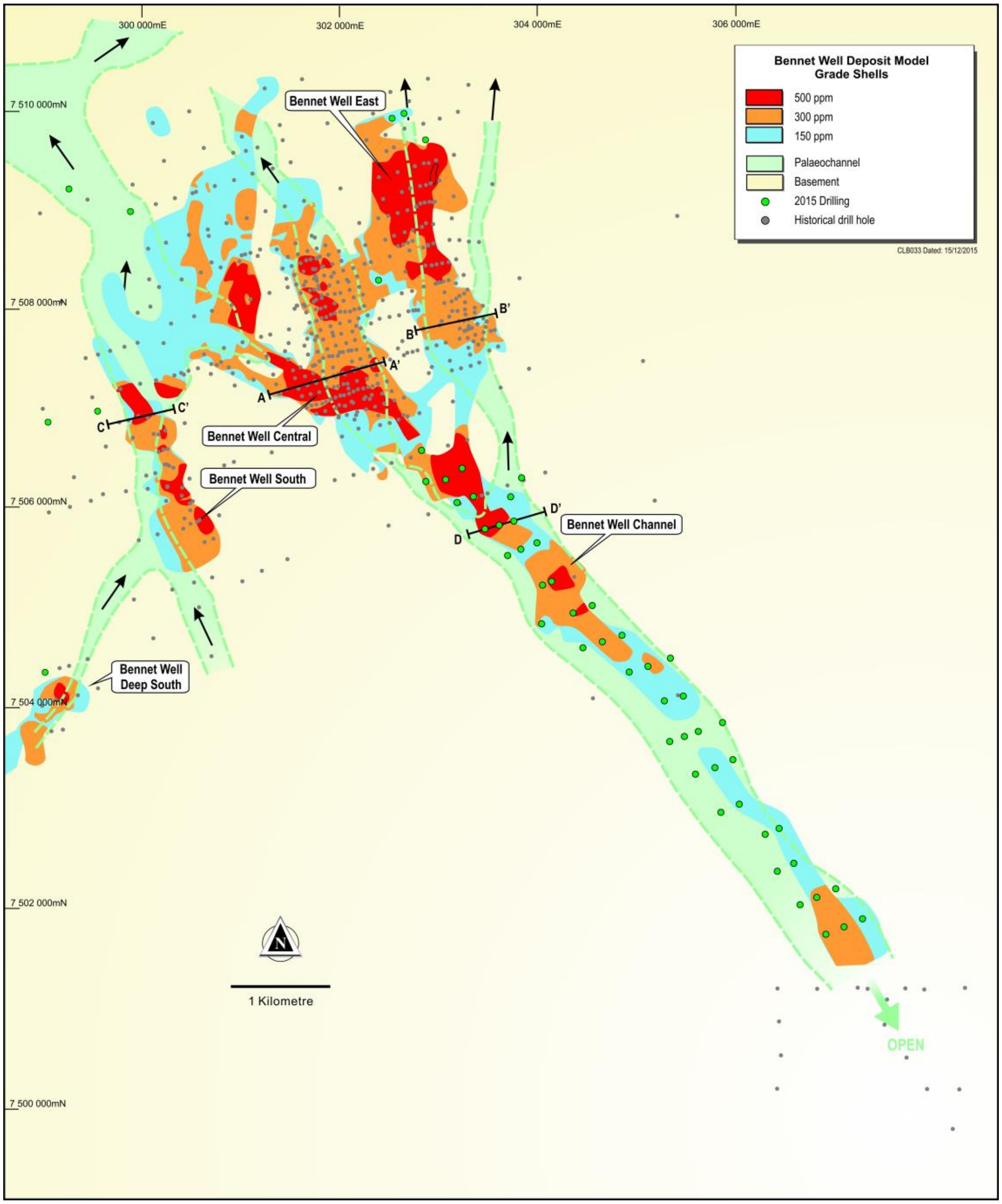

Figure 2: Bennet Well distribution of mineralisation

YANREY PROJECT

The Yanrey Project comprises a collection of twelve exploration tenements in north-west Western Australia, one of which secures the Bennet Well Uranium Deposit. The project is prospective of sandstone-style uranium mineralisation capable of extraction by in-situ recovery mining techniques.

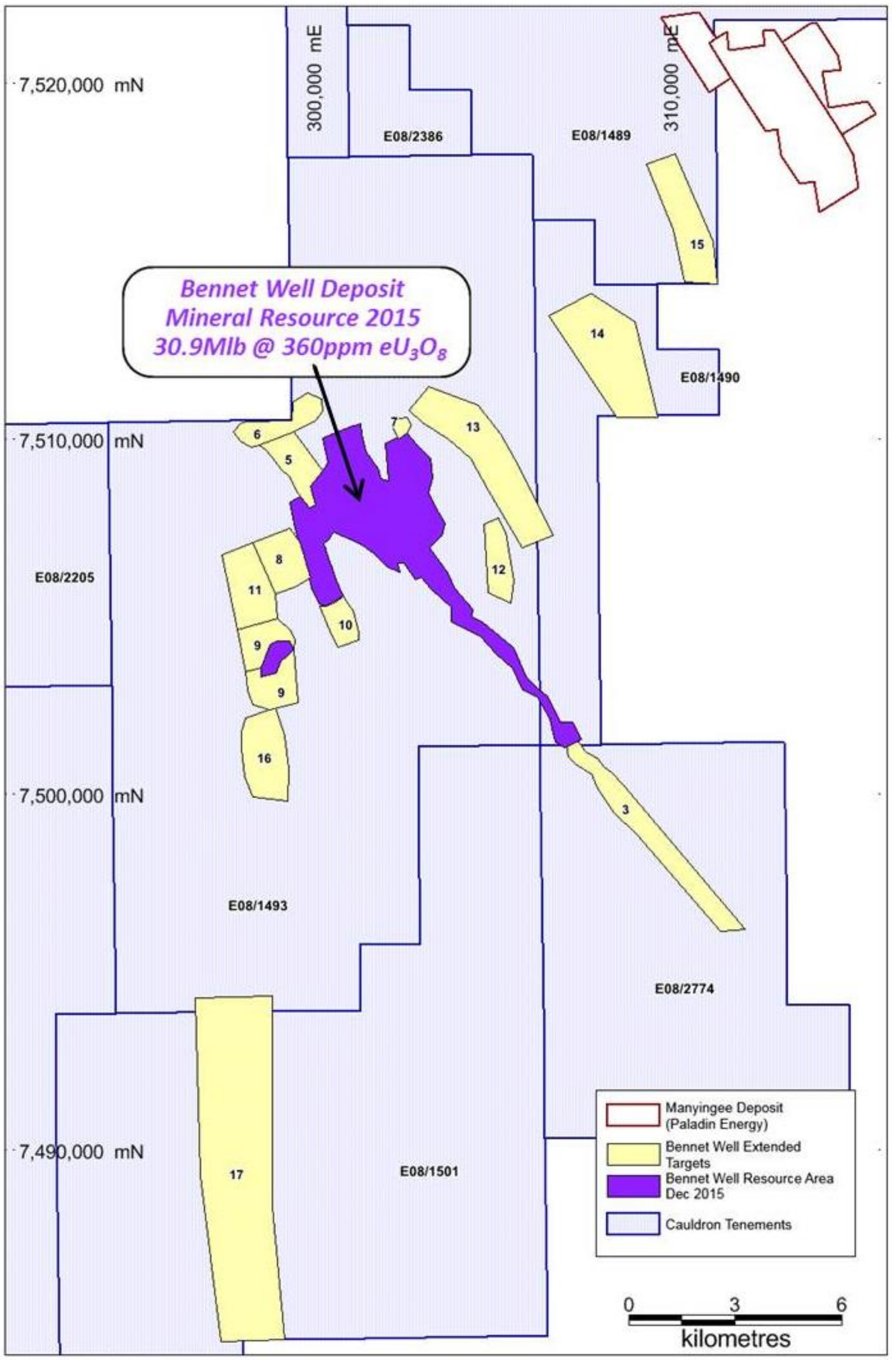

Figure 3: Bennet Well Deposit and Extended Targets immediately proximal to the resource area

Target area 14 is now called Manyingee South due to two drillholes that both intersected ore-grade uranium mineralisation:

- BW0096: 0.75 m @ 288.91 ppm eU_3O_8, from 53.0 m
- BW0097: 0.45 m @ 235.80 ppm eU_3O_8, from 53.4 m

This prospect is currently hypothesised to be a southern extension of Paladin Energy's Manyingee Deposit, situated approximately 3 kilometres to the northeast of the drilled area (Figure 4). Further follow-up is required as a mineral deposit of substantial size may exist.

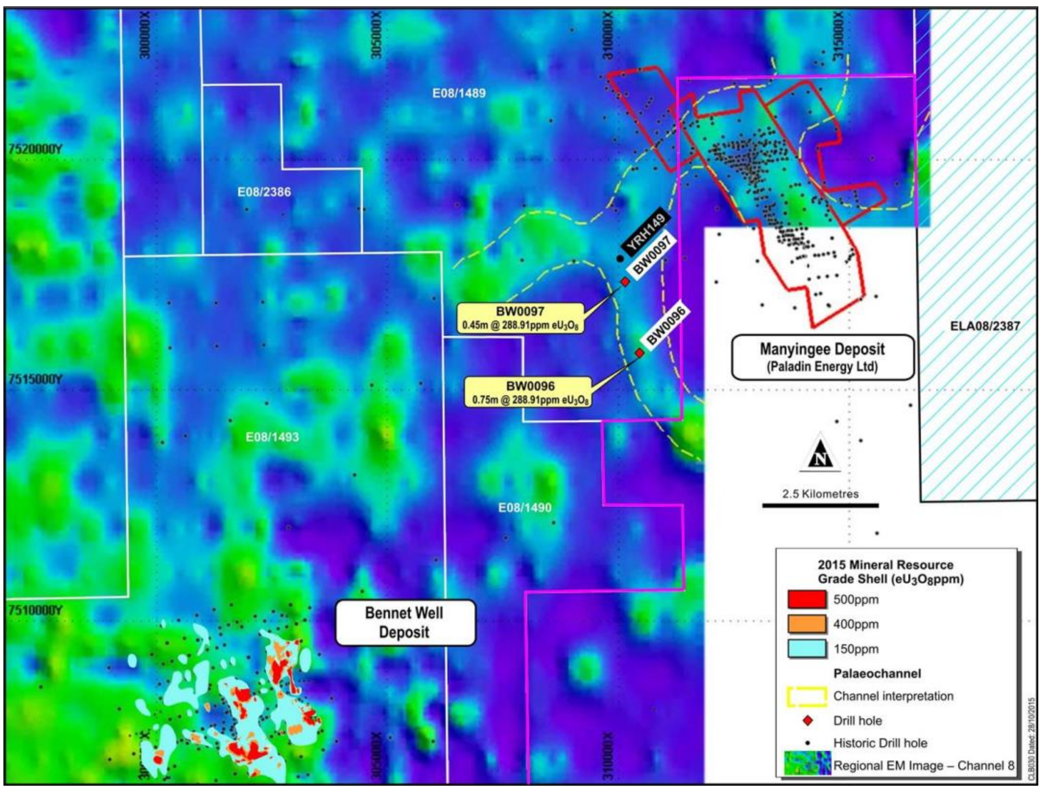

Figure 4: Manyingee South Channel - plan view showing summary of mineralisation from drilling and interpreted channel outline, overlain on regional EM imagery.

Exploration Incentive Scheme

The Western Australian Department of Minerals and Petroleum (DMP) approved the drilling completed at Yanrey in the December 2015 quarter under their Exploration Incentive Scheme. This scheme allows up to \$150,000 of DMP funding for drill testing of greenfields-type exploration targets, and was awarded to Cauldron on the basis of technical justification for the drill program.

As noted above, in March 2016 Cauldron submitted the Final Report and invoice for to the DMP. the remaining balance of \$30,000 is expected to be received following acceptance of this report.

The funding under this scheme facilitated the discovery of the Bennet Well Channel and the ore grade intercepts received from the Manyingee South prospect.

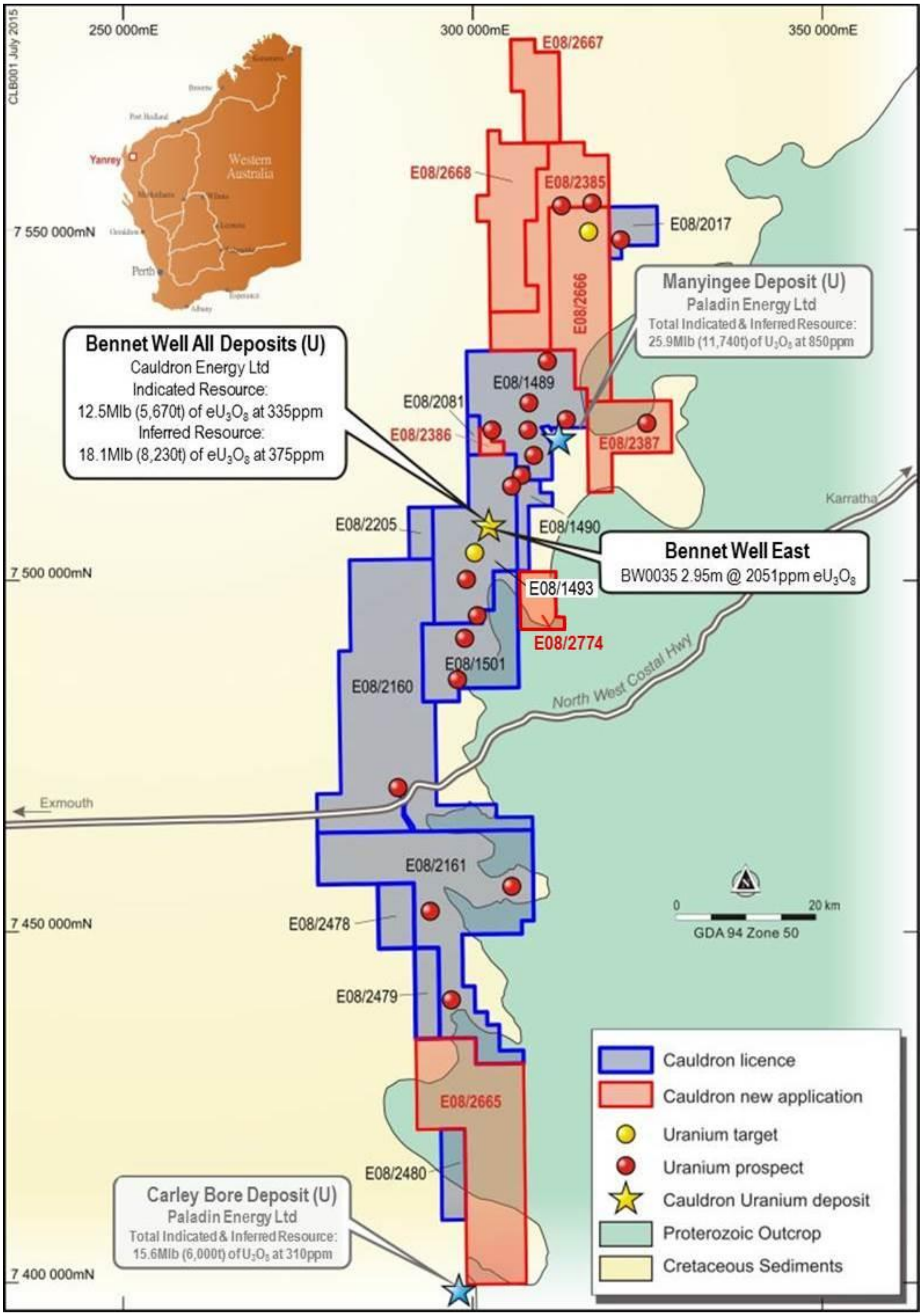

Figure 5: Yanrey Project – Deposit, Prospect and Target Locations

MARREE PROJECT, SOUTH AUSTRALIA

Cauldron has not completed any exploration work at Marree during the quarter, as the focus has remained to progress the Yanrey/Bennet Well uranium project.

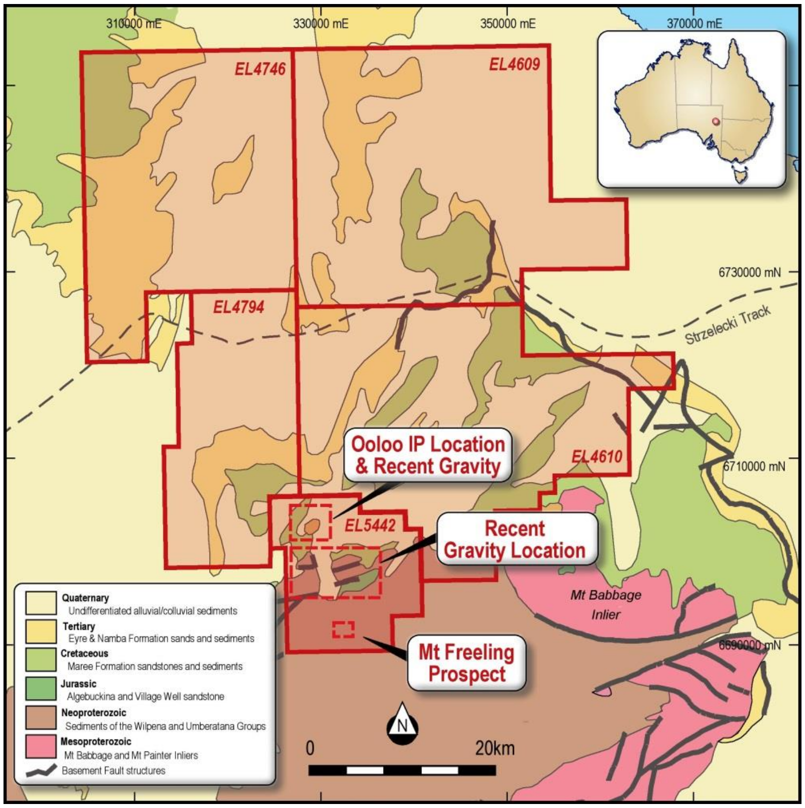

Figure 6: Marree Project – Location of identified prospects

TENEMENT ADMINISTRATION: AUSTRALIA

Objection to Cauldron's Applications for exploration licences 08/2385-2387

Cauldron lodged applications for exploration licences 08/2385, 08/2386 and 08/2387 on 4 April 2012. Forrest & Forrest Pty Ltd lodged objections to the applications under the Mining Act. On 5 January 2015 the Minister for Mines decided there were sufficient grounds to allow the applications to proceed through the determination process under the Mining Act and the Native Title Act. As reported in our last quarterly, on 1 April 2015 Forrest & Forrest Pty Ltd requested the applications return to the warden. The warden has decided not to have any further hearing of the applications and the applications have successfully passed through the Native Title process. On 27 August 2015 Forrest & Forrest Pty Ltd made application to the Supreme Court of Western Australia for judicial review of the Minister's decision to progress each application through the determination process under the Mining Act and the Native Title Act. The application for judicial review was heard on 19 April 2016, and its judgment is reserved.

Energia Mineral's Objection and Application for Forfeiture

On 14 August 2013 Energia Minerals Limited (ASX: **EMX**) lodged objections to applications for exemption from expenditure and lodged applications for forfeiture affecting exploration licences 08/2160, 08/2161 and 08/2165 held by Cauldron (**Tenements**). The applications for exemption (and associated objections) and applications for forfeiture relate to the expenditure year ending 20 May 2013 (in relation to exploration licence 08/2160) and 14 June 2013 (in relation to exploration licences 08/2161 and 08/2165). The proceedings are administrative in nature and are commenced under the *Mining Act* 1978 (WA) (**Act**).

The matter of the exemptions was heard by Warden Maughan 15-16 April 2015. On 22 May 2015, the Warden recommended that the exemptions be refused in each instance. Cauldron has since surrendered E08/2165 in its entirety and lodged a submission to the Minister, requesting his approval of the exemption applications for E08/2160 and E08/2161. On 9 March 2016 the Minister for Mines refused Cauldron's application for exemption from expenditure.

The tenements will now be subject to Forfeiture applications.

Objection to Cauldron's Applications for exploration licences 08/2666-2668

Cauldron lodged applications for Exploration Licences 08/2666-2668 (E08/2666-2668) on 5 December 2014. Forrest & Forrest Pty Ltd lodged objections against E08/2666-2668 on 6 January 2015. The Warden adjourned the first mention of the objections to 6 November 2015, due to the DPM requirement to assess other applications that were first in line before Cauldron's applications for the same land.

Since the adjournment, first in line applications with regard to the land under E08/2667 and E08/2668 have been refused, which now puts Cauldron's applications at the forefront for grant. Cauldron has contacted Forrest & Forrest Pty Ltd for provision of an access agreement to procure the withdrawal of objections against E08/2667-2668 and is currently awaiting a response.

E08/2666 remains second in line for assessment.

These legal proceedings are currently at an early stage, with no negotiation between the parties commenced at this point in time.

Gnulli and Budina Native Title Claimants Objection to Expedited Procedure for E08/2665

On 12 February 2015, both the Gnulli and Budina Native Title Claimants lodged objections to the expedited Native Title procedure being applied to the grant of Cauldron's application for Exploration Licence 08/2665. Cauldron agreed to terms for a heritage agreement with both Gnulli and Budina on 11 March 2016, with final execution pending their internal review.

EXPLORATION ACTIVITES: ARGENTINA

In Argentina, Cauldron controls, through its wholly-owned subsidiary Cauldron Minerals Limited (**Cauldron Minerals**), and an agreement with Caudillo Resources S.A. (**Caudillo**), more than 3,400 km^2 of exploration tenement in six project areas (Figure 7) located in four provinces. The most advanced project, Rio Colorado, is a Cu-Ag target exhibiting characteristics similar to the globally significant sedimentary copper deposits.

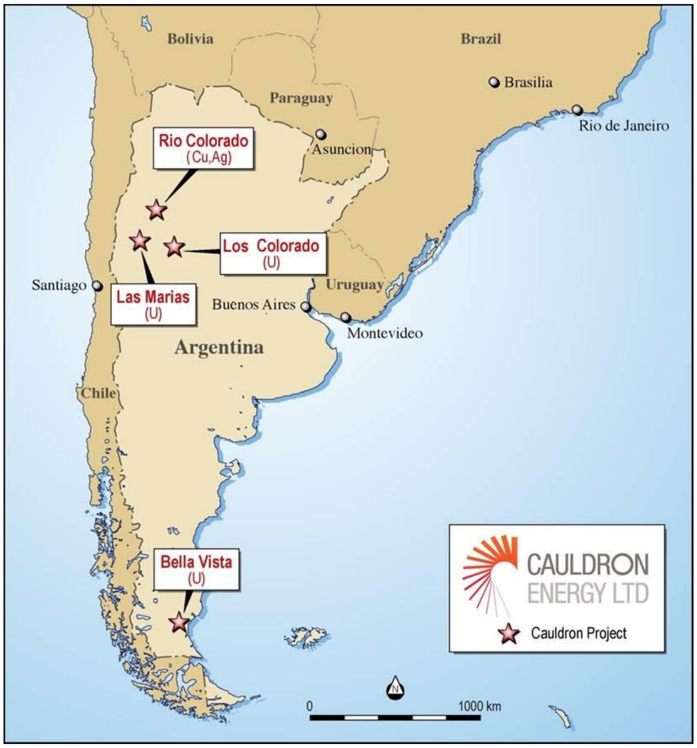

Figure 7: Argentina – Location of Prospects

No work was completed in Argentina as Cauldron is awaiting approval for drilling at the Rio Colorado Project.

End.

For further information, visit **www.cauldronenergy.com.au** or contact:

Cauldron Energy Limited

Ph: (08) 9380 9555

David Tasker – Professional Public Relations

Ph: (08) 9388 0944

<u>**Disclosure Statements**</u>

Competent Person Statement

The information in this report that relates to the Mineral Resource for the Bennet Well Uranium Project is based on information compiled by Mr Jess Oram, Exploration Manager of Cauldron Energy and Mr Stephen Hyland, who is a Principal Consultant of Ravensgate. Mr Oram is a Member of the Australasian Institute of Geoscientists and Mr Hyland is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Oram has sufficient experience that is relevant to the style of mineralisation, 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 Resource and Ore Reserves (JORC Code 2012). Mr Oram and Mr Hyland consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Schedule of Tenements

Mining tenements held at 31 March 2016, including tenements acquired and disposed of during the quarter:

Tenement reference	Project & Location	Acquired interest during the quarter	Disposed interest during the quarter	Interest at end of quarter
E08/1489	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1490	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1493	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/1501	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2017	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2081	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2160	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2161	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2205	YANREY - WESTERN AUSTRALIA	-	-	100%
E08/2478	YANREY – WESTERN AUSTRALIA	-	-	100%
E08/2479	YANREY – WESTERN AUSTRALIA	-	-	100%
E08/2480	YANREY – WESTERN AUSTRALIA	-	-	100%
E08/2496	BOOLALOO – WESTERN AUSTRALIA	-	-	100%
E08/2638	BOOLALOO – WESTERN AUSTRALIA	-	-	100%
393/2010	Catamarca, Argentina	-	-	100%

Mining tenements with beneficial interest held in farm-in/farm-out agreements held at 31 March 2016, including interests acquired and disposed of during the quarter:

Farm-in Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
140/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
141/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
142/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
143/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**

Farm-in Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
144/2007-581/2009	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
176/1997	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
232/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
270/1995	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
271/1995	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**
43/2007	Rio Colorado Project - Catamarca, Argentina	-	-	92.50%**

*Rights to uranium only – JV and tenements expired 2 July 2015
**Cauldron has signed an exclusive option agreement through its wholly owned subsidiary Cauldron Minerals Ltd (formerly Jackson Global Ltd) with a private party (Dr Horacio Solis), to earn 92.5% in 230km^2 of the Rio Colorado uranium project in Argentina. The remainder of the project is (532km^2) is held by Cauldron in the name of a related entity. Together, both areas will form the Rio Colorado Joint Venture. During the December 2015 quarter, Cauldron earned its Initial Interest of 51% in the project. The Company can earn 92.5% of the project by completing exploration expenditure of $500,000 within three years following earning of the initial interest.

Farm-out Agreement and Tenement reference	Project & Location	Acquired interest during the quarter	Disposed Interest during the quarter	Interest at end of quarter
EL4609	MAREE - SOUTH AUSTRALIA	0.24%	-	62.56%*** (increasing)
EL4610	MAREE - SOUTH AUSTRALIA	0.24%	-	62.56%*** (increasing)
EL4746	MAREE - SOUTH AUSTRALIA	0.24%	-	62.56%*** (increasing)
EL4794	MAREE - SOUTH AUSTRALIA	0.24%	-	62.56%*** (increasing)
EL5442	MAREE - SOUTH AUSTRALIA	0.24%	-	62.56%*** (increasing)

***As at 31 December 2015

Rule 5.5

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

Cauldron Energy Limited

ABN	Quarter ended ("current quarter")
22 102 912 783	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	(832)	(2,752)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(142)	(656)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other: Legal	(193)	(516)
	Other: R&D Tax Incentive Refund	-	1,649
	Other: Income – legal costs, damages & interest	531	531
	Net Operating Cash Flows	**(636)**	**(1,744)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	4	20
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) controlled entity	-	-
1.10	Loans to other entities	(12)	(37)
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	**(8)**	**(17)**
1.13	**Total operating and investing cash flows (carried forward)**	**(644)**	**(1,761)**

1.13	**Total operating and investing cash flows (brought forward)**	**(644)**	**(1,761)**
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,000	4,129
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:	-	-
	Net financing cash flows	**2,000**	**4,129**
	Net increase (decrease) in cash held	**1,356**	**2,368**
1.20	Cash at beginning of quarter/year to date	2,224	1,216
1.21	Exchange rate adjustments to item 1.20	(2)	(6)
1.22	**Cash at end of quarter**	**3,578**	**3,578**

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	119
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments to the parties included in item 1.2 of $119,012 relates to:
- Director fees $50,300
- Director-related entities $68,712

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

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	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	850
4.2	Development	-
4.3	Production	-
4.4	Administration	300
	Total	**1,150**

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	3,578	2,224
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	3,578	2,224

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	-	-	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased	EL4609 EL4610 EL4746 EL4794 EL5442	Dilution of JV partners Dilution of JV partners Dilution of JV partners Dilution of JV partners Dilution of JV partners	62.32% 62.32% 62.32% 62.32% 62.32%	62.56% 62.56% 62.56% 62.56% 62.56%

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** *(description)*	-	-		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	288,002,620	288,002,620		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	16,949,176	16,949,176		
7.5	**+Convertible debt securities** *(description)*	-	-		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	44,000,000	-	*Exercise price* $0.138	*Expiry date* 31 Dec 2016
7.8	Issued during quarter	20,000,000	-	$0.138	31 Dec 2016
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	-	-		
7.12	**Unsecured notes** *(totals only)*	-	-		

+ See chapter 19 for defined terms.

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: 29 April 2016
(Company Secretary)

Print name: Catherine Julie Grant

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.

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