QUARTERLY REPORT

Period ending 30 September 2014

KEY EVENTS

- *Spargoville air core and RC drill sampling confirms **highly anomalous gold** intercepts at Redback prospect.*
- *Further RC drilling commenced as a priority at the Redback prospect to focus on extending the **high grade gold** mineralisation.*
- *Further air core drilling commenced at the Core Farm Prospect to infill and extend zones of **high grade** paleochannel type gold mineralisation.*
- *Completed a reconnaissance auger drill program at Lake Lefroy South.*
- *Tychean successfully placed a total of 260,333,334 shortfall shares at $0.003 per share to raise $781,000 before costs.*

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REVIEW OF OPERATIONS

CORPORATE ACTIVITIES

Subsequent to the capital raising of up to $1.9 million (announced by Tychean Resources Limited on 21 May 2014) comprising:

A placement ("Placement") of approximately 136.5 million fully paid ordinary shares at $0.003 per share to raise approximately $0.4 million, with 1 free option being issued for every 2 new shares subscribed for under the Placement; and

A non-renounceable 1 for 3 entitlement issue ("Entitlement Issue" or "Offer") at $0.003 per share to raise up to approximately $1.5 million, with 1 free option being issued for every 2 new shares subscribed for under the Entitlement Issue,

the Company successfully placed a total of 117,333,334 shortfall shares at $0.003 per share to raise $352,000 before costs (August 2014) and further placed a total of 143 million shortfall shares at $0.003 per share to raise $429,000 before costs (September 2014).

EXPLORATION ACTIVITIES

Western Australia

Spargoville Gold Project

SPARGOVILLE AIR CORE RESAMPLING

A total of 32 one metre scoop samples were collected from significant (≥0.5g/t Au) composite samples returned from the Aircore drilling completed at Redback and Huntsman prospects (Figures 1 & 2) during May 2014.

Highly anomalous results returned from the resampling include:

- Redback Prospect – **10m @ 2.39g/t Au** from 48m including **1m @ 11.3g/t** from 55m
- Redback Prospect – **2m @ 25.8g/t Au** from 34m including **1m @ 46.9g/t Au** from 35m.
- Huntsman Prospect - **5m @ 6.78g/t Au** from 45m including **1m @ 27.0g/t Au** from 47m.

All significant (≥0.5g/t Au) intercepts from the drilling were received within weathered ultramafic lithologies at or adjacent to contacts with felsic lithologies. As well as confirming the significant intercepts returned from the initial composite sampling, the sampling has highlighted a high grade component to the intercepts, a characteristic of the high grade Wattle Dam mineralisation.

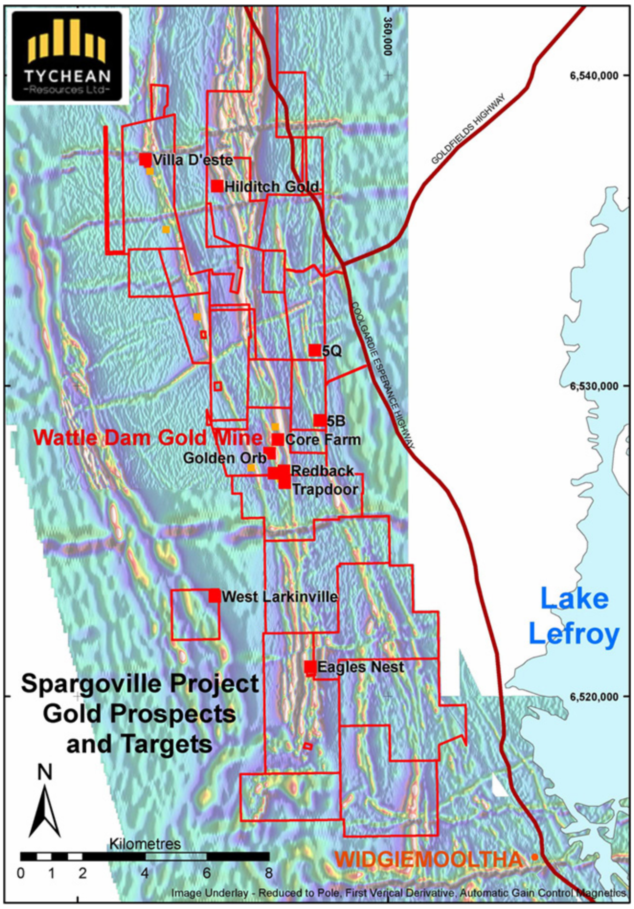

Figure 1 *Spargoville Gold Project prospect location plan.*

SPARGOVILLE RC DRILLING

One metre split results were received from RC drilling completed during May 2014 within the Spargoville Project. Anomalous results were received from the 5B, Trapdoor, and Hilditch Gold prospects (Figure 1) and include:

- 5B Prospect – **6m @ 9.05g/t Au** from 76m including **2m @ 21.0g/t Au** from 78m
- Trapdoor – **18m @ 2.46g/t Au** from 84m including 1**m @ 17.4g/t Au** from 84m and **1m @ 8.43g/t Au** from 95m
- Hilditch Gold – **4m @ 2.41g/t Au** from 140m

Further RC drilling was completed during August 2014 at the Redback, Trapdoor and Huntsman (Figure 2) and Hilditch Gold prospects based on results returned from recent Aircore and RC results. Highlights from the drill results at Redback include:

- Two mineralised zones confirmed within RC drilling at Redback Prospect (Figure 3)
- Eastern Zone – **4m at 7.46g/t Au** from 113m including **1m at 18.2g/t Au** from 114m
- Eastern Zone – **3m at 17.5g/t Au** from 95m including **1m at 33.5g/t Au** from 96m

- Western Zone – **3m at 4.18g/t Au** from 67m including **1m at 10.1g/t Au** from 69m
- Western Zone – **6m at 4.47g/t Au** from 124m including **1m at 14.3g/t Au** from 126m
- Western Zone – **2m at 8.82g/t Au** from 136m including **1m at 13.4g/t Au** from 136m

Redback Prospect

The completed RC drilling at the Redback prospect was designed to further evaluate highly anomalous results returned from previous Aircore drilling which included 10m @ 2.39g/t Au from 48m including 1m @ 11.3g/t Au from 55m and 2m @ 25.8g/t Au from 34m including 1m @ 46.9g/t Au from 35m.

The high grade mineralisation within the two zones remains open along strike to the north, down dip and along any potential plunge direction to the north, which is the focus of current RC drilling.

The 'Eastern Zone' mineralisation, located at the contact between predominantly ultramafic lithologies and overlying felsic lithologies to the east, had previously returned highly anomalous composite results including 4m at 47.7g/t Au from 112m and 8m at 6.47g/t Au from 92m. The corresponding single metre spilt results for these intervals returned **4m at 7.46g/t Au from 113m including 1m at 18.2g/t Au from 114m** and **3m at 17.5g/t Au from 95 m including 1m at 33.5g/t Au from 96m**.

The 'Western Zone' mineralisation, located approximately 20 metres to the west of the Eastern Zone previously returned highly anomalous composite results including 4m at 10.5g/t Au from 68m, 4m at 5.80g/t Au from 124m and 4m at 5.21g/t Au from 136m. The corresponding single metre split results for these intervals returned **3m at 4.18g/t Au from 67m including 1m at 10.1g/t Au from 69 m, 6 m at 4.47g/t Au from 124m including 1m at 14.3g/t Au from 126m and 2m at 8.82g/t Au from 136m including 1m at 13.4g/t Au from 136m**.

A comparison between the composite and single metre results at the Redback Prospect has identified variability in gold grades which potentially could be a function of the coarse gold nature of the identified mineralisation (highlighted by the identification of coarse gold when panning intervals within the mineralised intervals) and/or the sampling and confidence levels between the sample types. A program of check sampling will be undertaken on a representative number of the single metre split samples in order to better our understanding of the coarse gold component and determine the optimal assaying technique for the mineralisation. It is planned to undertake screen fire assay analysis and a series of leachwell analyses using different charge weights from samples within the mineralised intervals. The results of this work will impact on the future assaying techniques used at the Redback Prospect.

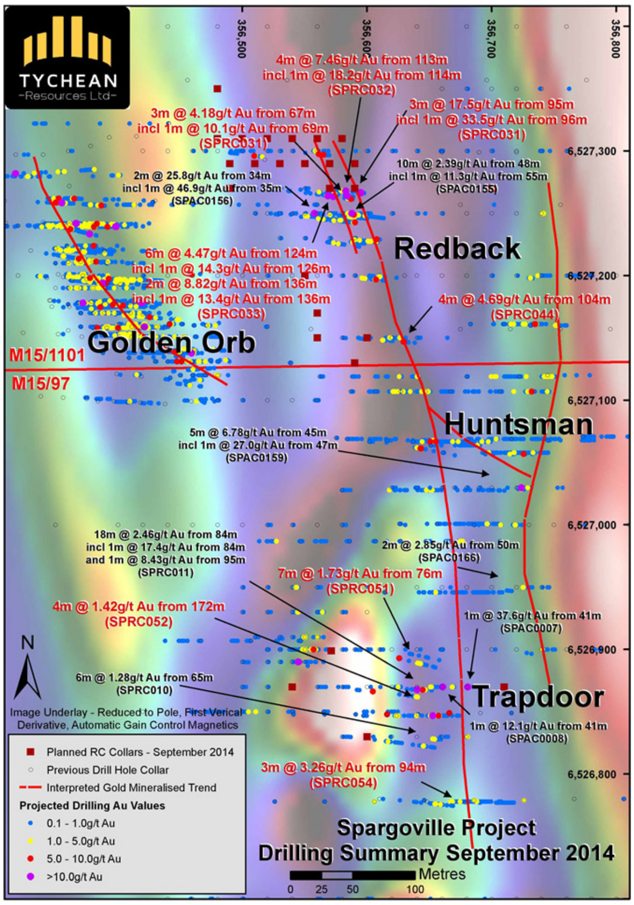

Figure 2 *Spargoville Gold Project, Golden Orb area summary drilling plan.*

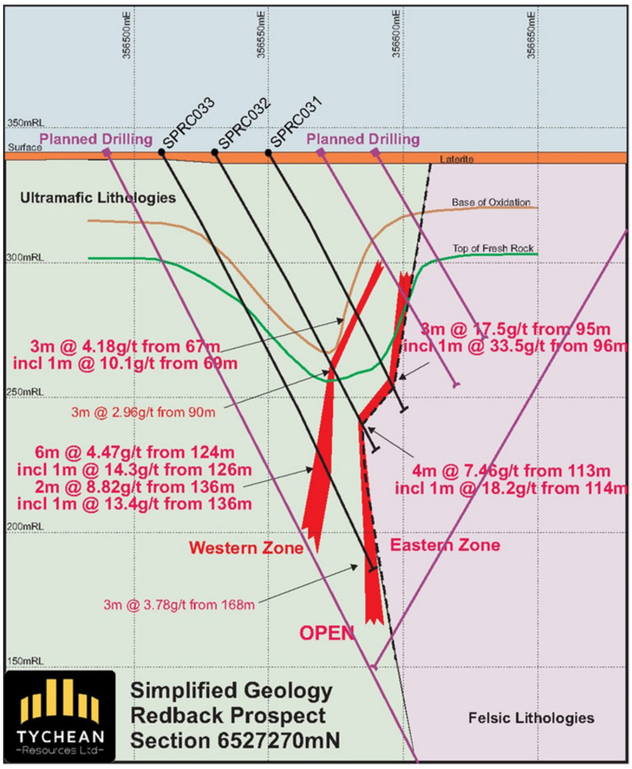

Figure 3 *Spargoville Gold Project, Redback Prospect longitudinal projection.*

Trapdoor Prospect

The completed RC drilling at the Trapdoor prospect was designed to further evaluate highly anomalous results returned from previous RC drilling including 18 m at 2.46g/t Au from 84 m including 1 m at 17.4g/t Au from 84 m and 1 m at 8.43g/t Au from 95 m.

The one metre split samples collected from the completed RC drilling at Trapdoor returned a maximum anomalous result of 7m at 1.73g/t Au from 109 m and 3m @ 3.26g/t Au from 94m. The significant results are associated with the most eastern mineralised zone and interpreted ultramafic/felsic contact. This eastern mineralisation and geological contact is interpreted to steepen in dip at depth, to sub vertical to steeply easterly dipping, a feature also identified to be associated with the High Grade Eastern Zone at the Redback Prospect.

Hilditch Gold Prospect

The completed RC drilling at the Hilditch Gold Prospect was designed to test for dip and strike extensions to anomalous results returned from previous RC drilling including 4m @ 2.41g/t Au from 140m to end of hole. A single significant result of 3 m at 5.69g/t Au from 125 m including 2 m at 7.26g/t Au from 125 m, was returned from the single metre split sampling.

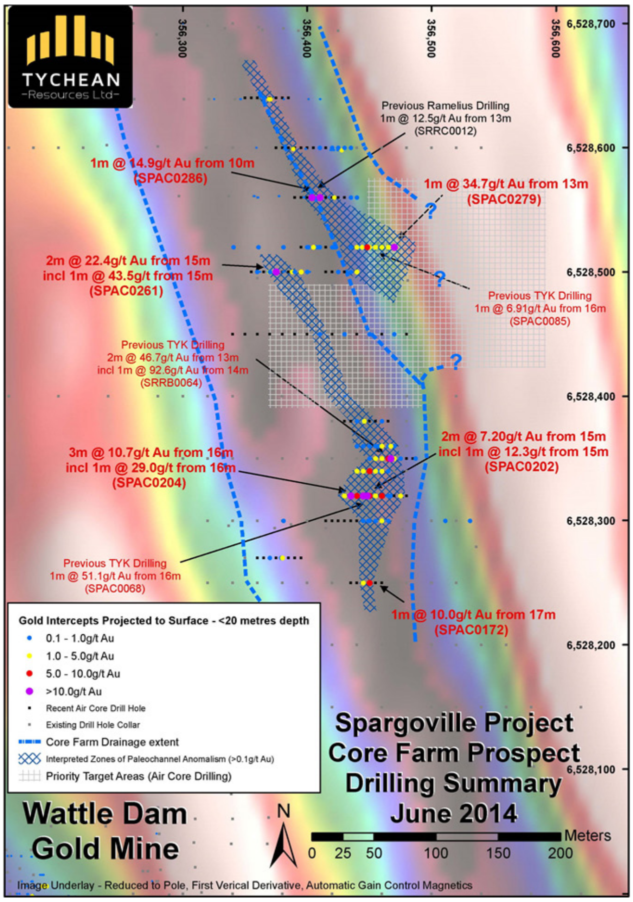

Figure 4 *Core Farm Gold Prospect drill hole location plan.*

Follow-up RC drilling programme commenced

A ~3,000 metre, RC drilling programme, (Figure 2), has commenced to follow up highly significant results and mineralised trends identified from recent drilling at the Redback and Trapdoor prospects. The majority of the planned drilling at the Redback prospect will focus on extending the high grade mineralisation immediately to the north of recent drilling.

Follow up drilling is planned at Trapdoor which will infill and extend recent drilling to an initial 20 metre x 40 metre drill spacing.

Follow-up air core drill programme completed

The Company completed a further aircore drilling programme of 148 holes for 2,376m at the Core Farm Paleochannel Gold prospect (Figure 4). Results are pending.

Located immediately to the north west of the Wattle Dam Gold Mine, (Figure 1) the Aircore drilling programme is designed to infill and extend zones of **high grade paleochannel style gold mineralisation** identified from previous drilling including 3m at 10.7g/t Au from 16m and 2m at 22.4g/t Au from 15m.

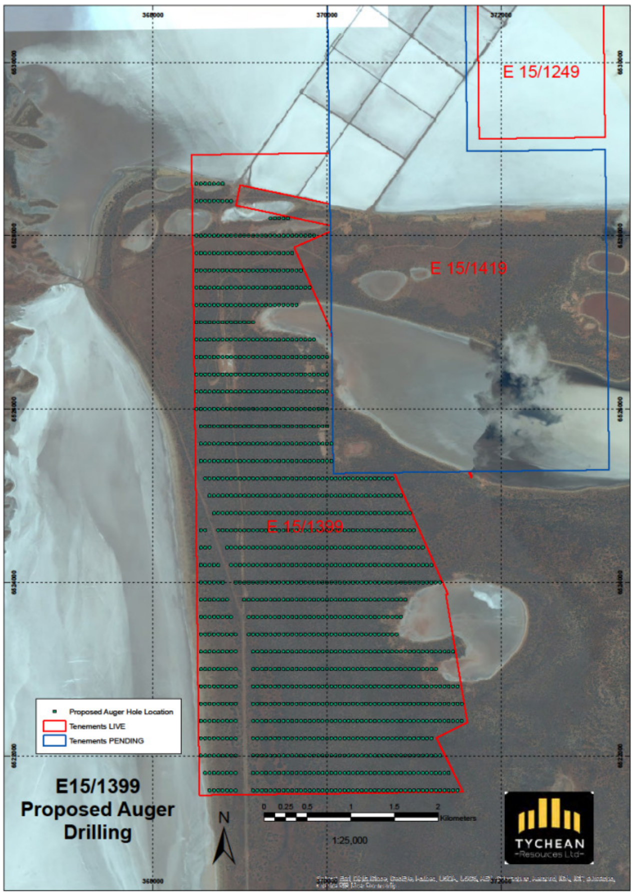

Figure 5 *Reconnaissance auger drill program at Lake Lefroy South (E15/1399).*

Reconnaissance auger drilling

A total of 1,371 auger drill holes were completed within E15/1399 (Figure 5) at a drill spacing of 20 metres x 200 metres. The drilling was completed within an area of alluvial sands in order to assist with drill targeting by identifying subtle gold and multi-element anomalism and trends potentially associated with similar geology and structures associated with the Goldfields Ltd, Invincible prospect, located approximately 10 kilometres to the northeast on Lake Lefroy (Figure 6). All results have been received and are currently evaluated.

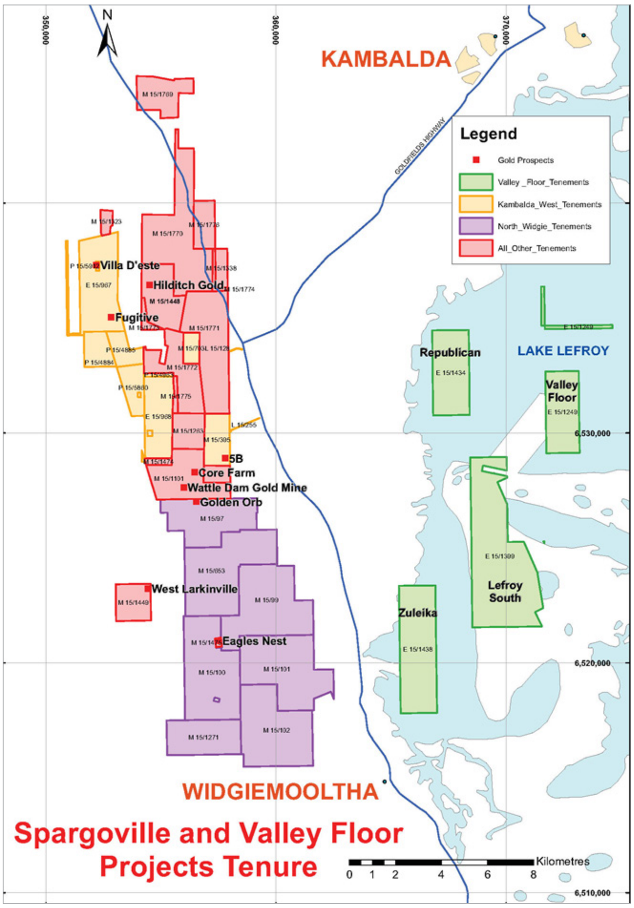

Figure 6 *Lefroy South location plan.*

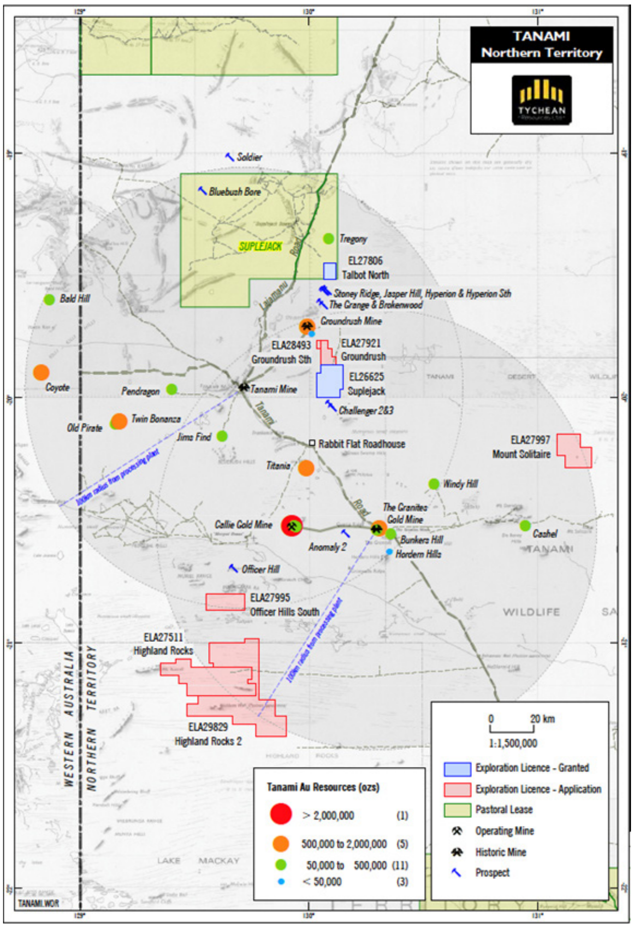

Figure 7 *Tanami Farm-Out project locations.*

Northern Territory

Tanami Farm-In and Joint Venture Agreement

Tychean has finalised terms with Ramelius Resources Limited in respect of a Farm-in and Joint Venture Agreement over Tychean's Tanami Project, a 1,700km² prospective land package within the Tanami Complex, Northern Territory.

Ramelius has commenced its farm-in on a package of two granted Exploration Licences (ELs) and six EL applications in the Northern Territory.

The tenement package, located within 100km of Newmont's 4.5 million plus ounce Callie gold mine within the Northern Territory Tanami Complex (Figure 7) represents a unique opportunity to explore over 1,700km² of prospective Paleoproterozoic stratigraphy within a significant yet underexplored gold province.

Joe Houldsworth
MANAGING DIRECTOR

Competent Persons Statement

The information contained in this release that relates to exploration results, mineralisation and target generation is based on information compiled by Mr Matthew Svensson, who is a Member of the Australasian Institute of Geologists (MAIG) and a full time employee of the Company. Mr. Svensson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Svensson consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

This release contains previously announced exploration results. The Company is not aware of any new information or data that materially affects the information included in the current market announcement.

TYK ASX Announcement – 19 June 2014
– High Grade Paleochannel Gold intersected in Air Core Drilling

TYK ASX Announcement – 28 July 2014
– Spargoville Air Core Resample Results

TYK ASX Announcement – 12 August 2014
– Exploration Update – Spargoville (WA)

TYK ASX Announcement – 22 September 2014
– High Grade Single Metre Gold Results from Spargoville (WA)

For further information please contact:

Mr Joe Houldsworth
Managing Director, Tychean Resources Limited
on 0487 924 326 or

Investor relations:
Mr Duncan Gordon,
Executive Director, Adelaide Equity Partners
on 0404 006 444

Further information relating to Tychean Resources Ltd and its various exploration projects can be found on its website:
www.tycheanresources.com

SCHEDULE OF INTERESTS IN MINING TENEMENTS

As at 30 September 2014

Project	Tenement	Lease name	State	Status	% held by TYK	Holders
Spargoville	M15/1475	Eagles Nest	WA	Granted	100%	TYCHEAN RESOURCES LTD
Spargoville	E15/967	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	E15/968	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	L15/128	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	L15/255	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/395	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/703	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	P15/5860	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	P15/4884	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	P15/4885	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	P15/4963	Kambalda West	WA	Granted	100% - No nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1448	Hilditch	WA	Granted	90%	BULLABULLING PTY LTD TYCHEAN RESOURCES LTD
Spargoville	M15/1449	Larkinville	WA	Granted	75% 80% nickel rights	TYCHEAN RESOURCES LTD PIONEER RESOURCES LTD
Spargoville	P15/4765	Villa Deste	WA	Granted	75% 80% nickel rights	TYCHEAN RESOURCES LTD PIONEER RESOURCES LTD
Spargoville	P15/5912	Villa Deste	WA	Pending	75% 80% nickel rights	TYCHEAN RESOURCES LTD PIONEER RESOURCES LTD
Spargoville	M15/100	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville	M15/101	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville	M15/102	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville	M15/1271	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville	M15/653	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville-	M15/97	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville	M15/99	North Widgie	WA	Granted	100% gold rights only	AUSTRALIAN NICKEL MINES PTY LTD
Spargoville	M15/1101	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1263	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1264	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1323	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD

Project	Tenement	Lease name	State	Status	% held by TYK	Holders
Spargoville	M15/1338	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1474	Wattle Dam	WA	Granted	100%	TYCHEAN RESOURCES LTD
Spargoville	M15/1769	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1770	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1771	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1772	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1773	Wattle Dam	WA	Granted	100% 80% nickel rights	TYCHEAN RESOURCES LTD
Spargoville	M15/1774	Wattle Dam	WA	Granted	100%	TYCHEAN RESOURCES LTD
Spargoville	M15/1775	Wattle Dam	WA	Granted	100%	TYCHEAN RESOURCES LTD
Spargoville	M15/1776	Wattle Dam	WA	Granted	100%	TYCHEAN RESOURCES LTD
Valley Floor	E15/1249	Lake Lefroy	WA	Granted	100%	VALLEY FLOOR RESOURCES PTY LTD
Valley Floor	E15/1399	Lefroy South	WA	Granted	100%	VALLEY FLOOR RESOURCES PTY LTD
Valley Floor	E15/1434	Valley Floor Ext	WA	Pending	100%	TYCHEAN RESOURCES LTD
Valley Floor	E15/1438	Valley Floor Ext	WA	Pending	100%	TYCHEAN RESOURCES LTD
Tanami	EL 26625	Suplejack	NT	Granted	100%	Tychean Resources Limited
Tanami	EL 27511	Highland Rocks	NT	Pending	100%	Tychean Tanami Pty Ltd
Tanami	EL 27806	Talbot North	NT	Granted	100%	Tychean Tanami Pty Ltd
Tanami	EL 27921	Groundrush	NT	Pending	100%	Tychean Resources Limited
Tanami	EL 27995	Officer Hills South	NT	Pending	100%	Tychean Resources Limited
Tanami	EL 27997	Mount Solitaire	NT	Pending	100%	Tychean Resources Limited
Tanami	EL 28493	Groundrush South	NT	Pending	100%	Tychean Resources Limited
Tanami	EL 29829	Highland Rocks 2	NT	Pending	100%	Tychean Tanami Pty Ltd

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

TYCHEAN RESOURCES LTD

ABN	Quarter ended ("current quarter")
40 119 031 864	30 SEPTEMBER 2014

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (.......months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(585)	(585)
	(b) development		
	(c) production		
	(d) administration	(226)	(226)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	4	4
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(807)	(807)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(807)	(807)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(807)	(807)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	812	812
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 (provide details if material)	(72)	(72)
	Net financing cash flows	740	740
	Net increase (decrease) in cash held		
1.20	Cash at beginning of quarter/year to date	1,099	1,099
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	1,032	1,032

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	108
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

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

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	631
4.2	Development	
4.3	Production	
4.4	Administration	260
	Total	**891**

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	132	1,099
5.2	Deposits at call	900	-
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	1,032	1,099

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	M15/1290 ELA15/1419	Holder Holder	100% 100%	0% 0%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E15/1434 E15/1438	Holder Holder	0% 0%	100% 100%

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**	2,003,242,221	2,003,242,221		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,235,342 291,000,007	1,235,342 291,000,007	0.6 0.3	Fully paid Fully paid
7.5	**+Convertible debt securities** *(description)*				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	268,970,634 318,377,280	268,970,634 318,377,280	*Exercise price* 0.6c 0.6c	*Expiry date* 24/09/14 30/06/15
7.8	Issued during quarter	145,500,006	145,500,006	0.6c	30/06/15
7.9	Exercised during quarter	1,123,207 112,135	1,123,207 112,135	0.6c 0.6c	24/09/14 30/06/15
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

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: 17/10/2014
(Director/Company secretary)

Print name: Justin Nelson

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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+ See chapter 19 for defined terms.