Level 14, 31 Queen Street Melbourne, Victoria 3000 t +61 3 8610 8633
e info@aruntaresources.com.au www.aruntaresources.com.au ABN 73 089 224 402

28 October 2014

ASX ANNOUNCEMENT
(ASX: AJR)

QUARTERLY REPORT FOR THE PERIOD ENDING 30 SEPTEMBER 2014

Highlights:

- Maiden Inferred Resource of **225,066 tonnes @ 0.58% WO_3** calculated for surface stockpiles at advanced Hatches Creek Tungsten Project, NT.
- The stockpiled material consists of mineralised mine waste, tailings, run of mine ore stockpiles and eluvial/alluvial mine waste accumulated from a 42 year mining history from 1915-1957.
- The Inferred Resource confirms the presence of sufficient tonnages of WO_3 mineralisation to potentially support a viable low-cost processing operation to deliver saleable tungsten concentrates, creating an early pathway to cash flow for Arunta.
- Tungsten concentrates are in demand and expressions of interest have been received from specialty metals traders for project off-take.
- Three one tonne representative bulk samples have been collected from the Hatches Creek resource zone and despatched to Nagrom Metallurgical Laboratories for Definitive Metallurgical test work.
- Definitive Metallurgical test work will provide key data for a Scoping Study to be concluded during the December Quarter.
- Multiple lode systems in the old mines are all reported to be continuous at depth. Excellent potential exists for significant tungsten and copper resources below old workings which only extend to 60 meters vertical depth (ASX Release: **QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2014**).

HATCHES CREEK PROJECT (100% AJR)

During the Quarter, Arunta Resources Limited (ASX: AJR) ("Arunta" or "the Company") commissioned Independent Mineral Resource Consultant, Mr Tony Ryall, to complete a JORC 2012 compliant Maiden Inferred Resource estimate of the stockpiles of mineralisation accumulated during a 42 year mining history at Hatches Creek between 1915 and 1957. Arunta's 100%-owned Hatches Creek Tungsten Project is located 360km north-east of Alice Springs in the Northern Territory (ASX Release, 23 September 2014; **HATCHES CREEK: MAIDEN HIGH-GRADE TUNGSTEN RESOURCE TO UNDERPIN DEVELOPMENT STUDIES**).

The reporting of all domains, capturing mineralisation above 0.2% WO_3 and a top-cut of 1.5% WO_3, results in an Inferred Resource of **225,066 tonnes grading 0.58% WO_3.**

For comparison purposes, the resource grade is some 70% higher than the average grade of the eight major global tungsten deposits currently being explored or developed by ASX-listed companies

In light of the excellent resource grade, the anticipated low-cost of development and the favourable outlook for the tungsten market the Company has decided to use the Hatches Creek Resource as the foundation to evaluate a commercial development of the Hatches Creek project.

During the past week Arunta's geologists, supported by the local traditional owners, have completed a bulk sampling program which involved the collection of three by one tonne samples representative of the resource zone mineralisation at Pioneer, Green Diamond and Treasure (See Figures 1 and 2). The samples were collected in 1 tonne bulker bags and despatched to Nagrom Metallurgical Laboratories in Kelmscott WA.

Figure 1 - Collection of samples at Pioneer

Nagrom's test work will optimise the processing parameters to achieve the best possible recoveries of tungsten and determine the specifications of the final tungsten concentrate. This information will be circulated to prospective buyers of the Tungsten concentrates to obtain indications of the likely concentrate sale price. Nagrom will also optimise the processing flow sheet and plant design for costing into a Scoping Study.

Arunta is proposing to complete the Scoping Study during the December Quarter.

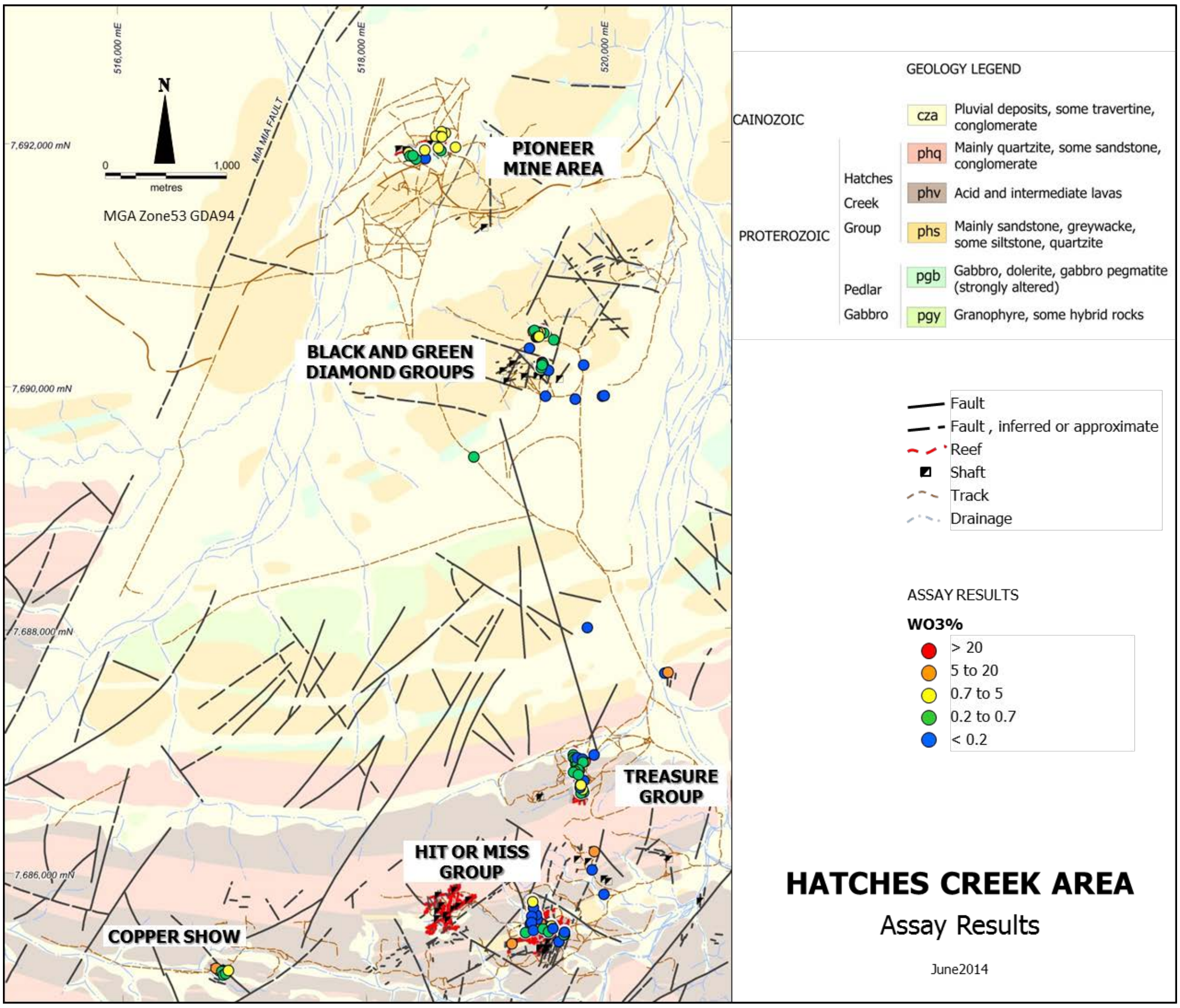

Figure 2 – Main Groups of Histroical Mine areas at Hatches Creek

SOUTHERN CROSS BORE PROJECT (AJR 100%)

A field assessment of the Johnnies Reward drilling conducted by Arunta since 2012 was undertaken to determine the viability of accessing selected drill holes for the purpose of a downhole EM survey.

Arunta is planning downhole EM at the Johnnies Reward prospect to further define drill targets derived from a recent VTEM helimag survey (ASX RELEASE 13 MARCH 2014: **FOUR PRIORITY IOCG TARGET AREAS DERIVED FROM SXB VTEM PLUS HELIMAG SURVEY**).

Johnnies Reward is a high grade gold/copper magnetite skarn which plunges north east into the southern end of a two plus kilometre long sheared and deeply weathered lithological contact which hosts significant anomalous base metal and precious metal mineralisation. Johnnies Reward has been defined as hosting IOCG style mineralisation and the host shear structure is considered prospective for discovery of multiple IOCG style deposits below the base of oxidation.

CORPORATE

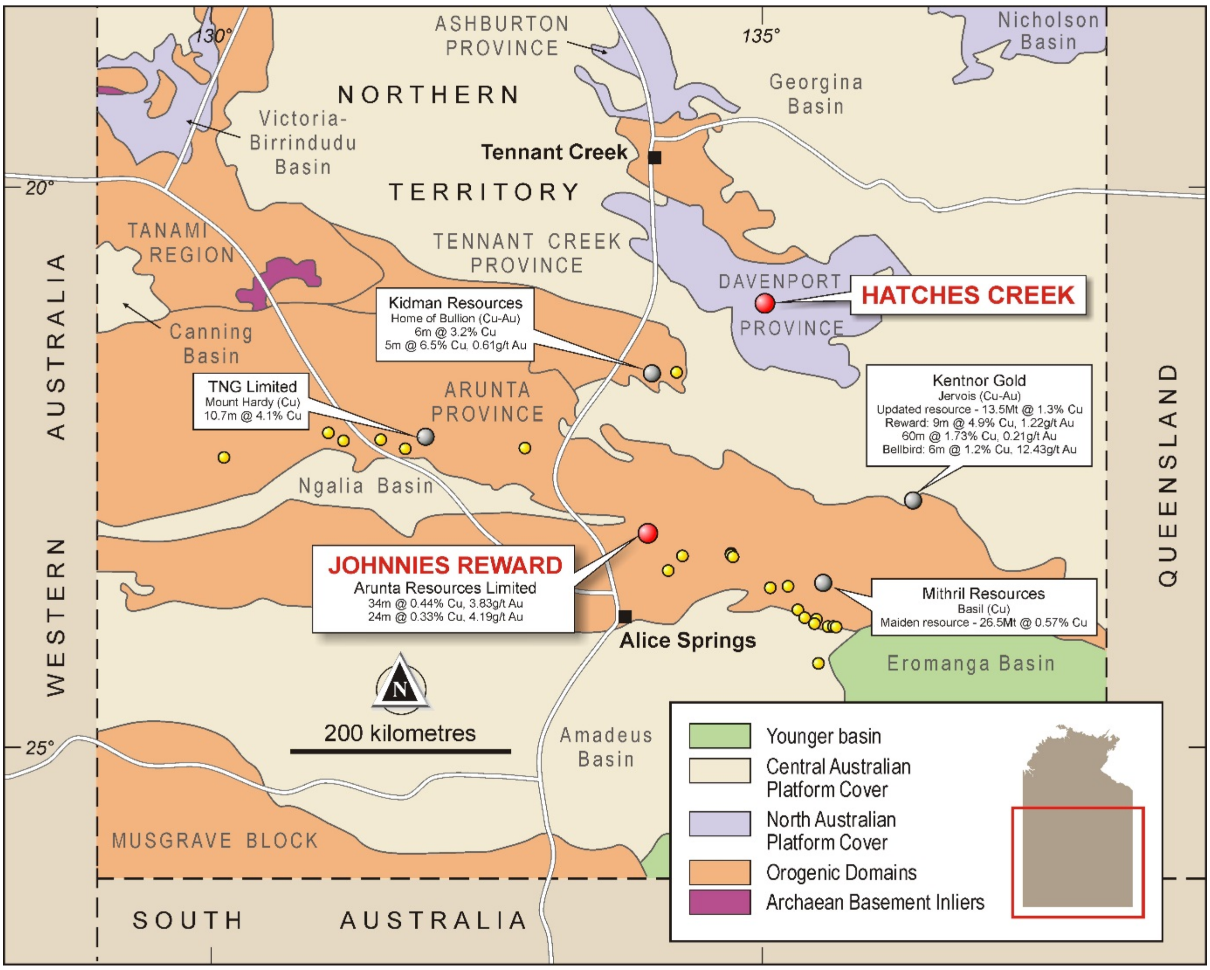

Figure 3 - Project Location Map

~ END ~

For further information: Investors:

Neil Biddle, Director

Arunta Resources Limited

Tel: +61 (0)418 915 752

The company confirms it is not aware of any new information or data that materially affects the information included in the September 23rd , 2014 Hatches Creek Mineral Resource Estimate and that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its maiden resource announcement made on 23rd September.

Competent Person Statement: The information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Neil Biddle (A Director of Arunta Resources Limited). Mr Biddle is a shareholder of Arunta Resources Limited. Mr Biddle is a Corporate Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Biddle consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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

ARUNTA RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
73 089 224 402	30 SEPTEMBER 2014

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (3 months) $A'000
	Cash flows related to operating activities		
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(17)	(17)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(266)	(266)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – rental and office service income	46	46
	Net Operating Cash Flows	(235)	(235)
	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)	(235)	(235)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(235)	(235)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,096	1,096
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	(87)	(87)
	Net financing cash flows	1,009	1,009
	Net increase (decrease) in cash held	774	774
1.20	Cash at beginning of quarter/year to date	144	144
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	918	918

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
1.2	Aggregate amount of payments to the parties included in item 1.2	106
1.2	Aggregate amount of loans to the parties included in item 1.10	-

1.2 Explanation necessary for an understanding of the transactions

Wages or consultancy fees paid to directors and director related entities during the September 2014 quarter.

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

Nil

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

Nil

+ See chapter 19 for defined terms.

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	-
4.2	Development	238
4.3	Production	-
4.4	Administration	115
	Total	**353**

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	868	94
5.2	Deposits at call	50	50
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	918	144

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				

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**	1,826,956,020	1,826,956,020		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,096,173,612	1,096,173,612	0.1	0.1
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)*	246,354,457 30,000,000 15,000,000 590,586,829	246,354,457 - - 590,586,829	*Exercise price* 2.0 2.0 3.0 0.2	*Expiry date* 20/12/2014 21/03/2015 18/12/2016 31/07/2019
7.8	Issued during quarter	590,586,829	590,586,829	0.2	31/07/2019
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.

28 October 2014

Sign here: .... Date: ....
Company Secretary

ADRIEN WING

Print name: ....

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.

+ See chapter 19 for defined terms.

Arunta Resources Ltd
Tenement schedule for the quarter ending September 2014

NORTHERN TERRITORY

Title Number	Registered Holder	Interest held at start of quarter	Change in interest during the quarter	Interest held at end of quarter	Renewal Date	Annual Exp Req	Status (G - Grant, A - Applcn)	Area sq kms
EL 28045	Davenport Resources Limited	100	Nil	100	30/11/2014	161,000	G	73
EL 29062	Davenport Resources Limited	100	Nil	100			A	61
EL 22912	Davenport Resources Limited	100	Nil	100	25/08/2014	43,125	G	25
EL 23463	Davenport Resources Limited	100	Nil	100	25/08/2014	42,550	G	6
EL 29827	Davenport Resources Limited	100	Nil	100	29/08/2014	10,750	G	16
EL 30090	Davenport Resources Limited	100	Nil	100			A	557

== == == == ==