

quarterly report

FOR THE PERIOD ENDING
30 SEPTEMBER 2014



COMPANY ENQUIRIES
Pauline Collinson
COMPANY SECRETARY

TANAMI GOLD NL
ABN 51 000 617 176
T: +61 8 9212 5999
F: +61 8 9212 5900

Unit B1, 431 Roberts Road, Subiaco
Western Australia 6008
PO BOX 1892, West Perth
Western Australia 6872

EXPLORATION

During the quarter the Company's exploration efforts were focused on evaluating tenements within the four high priority areas in the Northern Territory, as identified in a regional review conducted earlier this year (Figure 1). Surface exploration involving field mapping, prospecting and XRF field analysis, in combination with existing data, has been critical in supporting the selection of targets for the RAB and Aircore drilling campaign currently underway. The planned drill targets identified focus on two main targets (at Cave Hills and Jims South) with minor programs at Groundrush and Beaver. Approximately 10,000 metres of drilling has been approved and is expected to be completed early November.

A total of 15 tenements (1,400km²) within Western Australia were identified during the quarter as being of lower prospectively and subsequently relinquished. This reduction will provide an approximate \$200,000 saving per year which can be redirected to funding exploration on our priority tenements.

CAVE HILLS DRILLING

In 2012 TGNL carried out a soil sampling program that identified several large low level gold anomalies, the largest of which is a 3km by 1 km anomaly that is covered by Aeolian sand. The region has no previous drilling but is interpreted to contain several important geological features that are important for gold mineralisation in the Tanami (near major crustal faults in proximity to granitic intrusions and lithology's amenable to gold deposition). A comprehensive RAB drilling program is planned to test anomalies with 4,000 metres planned on tenements EL22229 and EL23342.

JIMS SOUTH DRILLING

This target initially came into focus through the identification of mineralised structures during field reconnaissance south east of the existing Jims Deposit (116Koz recovered via open pit mining). A detailed field assessment and data review identified an alternate geological interpretation that suggested the potential for further mineralisation to the southeast of the existing Jims Deposit along an interpreted fault. A 4,000 metre aircore drilling program is planned within EL26926 (south east of MLS168) and will test this target over a 600m strike.

BEAVER CREEK DRILLING

A significant gold intersection was encountered in BVRC0033 drilled in early 2013 (16m @ 7.0 g/t Au, 11 metres from surface, *refer to 2013 March Quarterly Report*) approximately 100m Southeast of the current Beaver Pit within MLS180. A 1,000 metre aircore drill program being is planned within MLS180 to confirm the size and orientation of the mineralization which may have several implications including a positive impact on the economics of a cutback to the existing Beaver Pit.

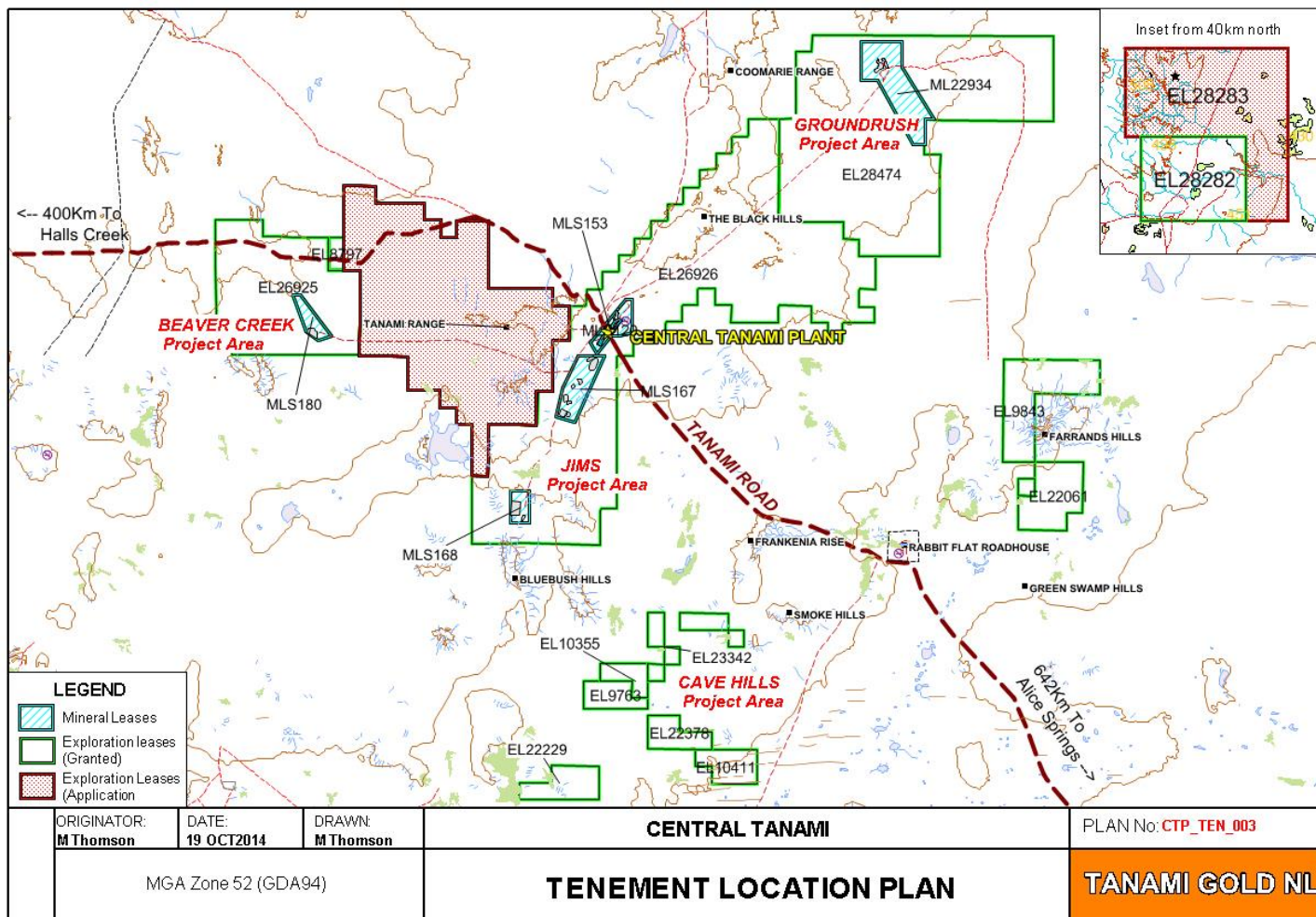
GROUND RUSH DRILLING

Preliminary field mapping has identified an outcropping vein with evidence of mineralisation to the east of the existing Groundrush Deposit that has not been adequately tested. A 1,000m aircore drilling program is planned within ML22934 to test this vein over a 600m strike length.

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

Figure 1: Central Tanami Priority Exploration Areas



quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

CORPORATE

Cash and Cash Equivalents

As at 30 September 2014, the Company had cash of \$1,053,150.

Coyote Plant Agreement with ABM Resources NL

On 7 July 2014, the Company announced that it had reached an agreement with ABM Resources NL ('ABM') to lease the Coyote Gold Processing Plant ("Coyote" or "Plant") and associated infrastructure to ABM.

The agreement includes an option to purchase the Plant, associated infrastructure and the underlying mineral leases. This agreement is subject to several conditions precedent, including amongst others:

- ABM completing and being reasonably satisfied with the results of due diligence investigations in respect to:
 - Obtaining any necessary or desirable approvals;
 - Obtaining native title, indigenous or heritage approvals; and
 - Access to the mining tenements and the condition of the Plant and associated infrastructure.
- All necessary statutory consents and approvals being obtained for the transaction contemplated by the agreement; and
- Tanami obtaining shareholder approval for the lease and the option to sell the Plant and associated infrastructure to ABM. Shareholders' approval was obtained on 25 August, 2014.
- The Company is awaiting confirmation that all conditions precedent have been fulfilled.

The lease infrastructure includes:

- 240,000 tpa (tonnes per annum) capacity gravity and CIL (carbon-in-leach) gold plant at Coyote; and
- All other related surface infrastructure including airstrip, mobile equipment, tailings storage, workshops, offices and camp.

The terms of the lease include:

- A \$2.0 million lease payment for the first 12 months of production;
- An option to extend the lease for a further 12 months for a lease payment of \$2.0 million;
- An option to purchase Coyote, infrastructure and the underlying mining leases for \$3.0 million; and
- A pre-emptive right on all surrounding exploration licences held by the Company in Western Australia.

The Company has previously announced that following the unsuccessful drilling of the Kavanagh lode at the Coyote Gold Mine the Company would re-evaluate the Company's position.

The Company has undertaken this assessment in relation to Coyote, Kavanagh and the Western Tanami tenements. The Company has considered that in view of the drilling results the Company cannot consider reopening the mine. Also, in view of these results and the Company's financial position the Company cannot justify or finance further drilling programs on the Coyote mining lease and takes the view that the Company's best option is to focus on its Central Tanami tenements situated in the Northern Territory. This includes the Company's main exploration asset being the one million ounce Groundrush Resource.

The Company has considered the options of disposal of Coyote and the Western Tanami tenements and in this regard has been able to secure the current proposal from ABM. The Company has carefully assessed the proposal and the possibility of obtaining any competing offers. The Company's conclusion is that there is little possibility of securing a better offer in the current market or in the foreseeable future.

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

Coyote Plant Agreement with ABM Resources NL (continued)

The Licence and Lease Agreement

The Licence and Lease Agreement (“Agreement”) with ABM includes the following provisions:

1. From signing, ABM contributes up to \$150,000 per month to the Coyote care and maintenance costs until the lease commences. Contributions have been made to date.
2. The lease term commences once the conditions precedent have been satisfied, which both companies anticipate will take approximately 3 months but the Agreement allows for up to 12 months.
3. Once all the conditions precedent are met (or waived), ABM will take possession and commence management of Coyote and the infrastructure. The Company will conduct re-commissioning ore prior to making the first year’s lease payment of \$2.0 million.
4. The initial 12 month period commences on commercial processing of ore following successful completion of commissioning.
5. The lease is extendable for a second year for a further \$2.0 million lease payment.
6. ABM has an option to purchase Coyote, the infrastructure and the underlying mining leases before the end of the lease for \$3.0 million.
7. During the lease ABM has a pre-emptive right on all surrounding tenements held by the Company in the area of Western Australia. The rights are extended for 2 years if ABM exercises the option to purchase.

The lease does not cover the mineral rights relating to the Coyote Gold Mine, which are retained by Tanami, until ABM exercises its purchase option. During the lease period the responsibility for past environmental disturbance and future mine closure costs remains with the Company and ABM will be responsible for environmental disturbance occurring during the lease period. ABM is responsible for maintaining and operating Coyote and the infrastructure and, unless ABM exercises the purchase option, will return Coyote and the infrastructure to the Company in the same operating condition in which ABM received it (fair wear and tear excepted).

Loan Facility with Sun Hung Kai International Bank [Brunei] Limited (“SHKIBBL”)

On 24 July 2014, the Company drew down an additional A\$2.0 million from its unsecured A\$15.0 million loan facility with SHKIBBL leaving A\$6.0 million undrawn. These funds were used to provide additional working capital.

On 23 September 2014, the Company received a letter from SHKIBBL agreeing in principle to extend the A\$15.0 million unsecured loan facility repayment date from 31 March 2015 to 31 March 2016.

Australian Resources Contracting Pty District Court Action Settlement

On 7 August 2014, the Company settled, by way of Consent Orders, the District Court Action commenced by Australian Resources Contracting Pty Ltd in early 2012. The Consent Orders provided for payment by the Company of \$150,000.

Letter of Support AP Finance Limited

On 2 September 2014, the Company obtained a new legally binding letter of support from AP Finance Limited for the continuation of its offer to provide an unsecured Loan Facility of approximately A\$12.0 million. The Loan Facility repayment date has been extended to 31 March 2016 and the Company has not made any drawdowns.

Gerard McMahon
Chairman

Mineral Resources

Table 1: Tanami Gold NL Mineral Resources as at 30 April 2014

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

Project	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces	Tonnes	Grade g/t Au	Ounces
WTP	482	2.8	44	1,079	6.0	208	1,446	5.8	271	2,931	5.6	523
CTP	6,730	3	648	9,491	3	954	9,279	3	1,022	25,500	3	2,625
Sub Total	7,212	3.0	692	10,570	3.4	1,162	10,725	3.7	1,293	28,431	3.4	3,148
CTP Stockpile	1,700	0.9	48							1,700	0.9	48
Total	8,912	2.6	740	10,570	3.4	1,162	10,725	3.7	1,293	30,131	3.3	3,196

Notes to accompany Table 4

- WTP is Western Tanami Prospect and CTP is Central Tanami Project.
- Resource estimations completed using MineMap, Vulcan, Surpac, Datamine and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
- Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
- Resources reported above relevant cut-offs based on economic extractions, varying between 0.7g/t Au and 5.0g/t Au block model grade.
- Stockpile figures from previously reported Otter Gold Mines NL 2001 Mineral Resource estimate less recorded treatment by Newmont Asia Pacific.
- Tonnes and ounces rounded to the nearest thousand and grade rounded to 0.1g/t Au. Rounding may affect tallies.
- The information in this report pertaining to Mineral Resources for the Central Tanami Project was compiled by Mr Bill Makar (MAusIMM), Consultant Geologist – Tanami Gold NL, Mr Michael Thomson (MAusIMM), Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), Resource Geologist for Tanami Gold NL, Mr Mark Drabble (MAusIMM) – Principal Consultant Geologist, Optiro Pty Ltd and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard, Mr Drabble and Mr Ball have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Persons as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard, Mr Drabble and Mr Ball consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

Table 2: Central Tanami Project Mineral Resources as at January 2013

Mineral Lease	Resource Category											
	Measured			Indicated			Inferred			Total		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
MLS153	1,051,000	2.2	73,000	3,046,000	2.2	217,000	849,000	2.7	74,000	4,946,000	2.3	365,000
MLS167	2,709,000	3.4	293,000	2,613,000	2.9	244,000	2,050,000	2.9	191,000	7,372,000	3.1	728,000
MLS168	854,000	2.2	60,000	314,000	1.6	16,000	1,094,000	1.6	58,000	2,262,000	1.8	133,000
MLS180	545,000	3.3	57,000	872,000	2.7	76,000	269,000	2	18,000	1,685,000	2.8	151,000
MLSA172	1,096,000	2.7	96,000	176,000	1.8	10,000	142,000	2.7	12,000	1,415,000	2.6	119,000
ML22934	475,000	4.5	69,000	2,470,000	4.9	391,000	4,875,000	4.25	669,000	7,820,000	4.49	1,129,000
Sub Total	6,730,000	2.99	648,000	9,491,000	3.13	954,000	9,279,000	3.43	1,022,000	25,500,000	3.20	2,625,000
Stockpiles	1,700,000	0.9	48,000							1,700,000	0.9	48,000
Total	8,430,000	2.6	696,000	9,491,000	3.1	954,000	9,279,000	3.4	1,022,000	27,200,000	3.1	2,673,000

Notes to accompany Table 5

- Resource estimations completed using MineMap, Vulcan and Micromine software packages comprising a combination of ellipsoidal inverse distance and ordinary kriging grade interpolation methods.
- Grade estimation was constrained to material within >0.7g/t mineralisation outlines.
- Variable gold assay top cuts were applied based on geostatistical parameters and historical production reconciliation.
- Resources reported above 0.7g/t block model grade.
- Resources reported above 1.0g/t block model grade.
- Stockpile figures from previously reported Otter Gold Mines NL 2001 Mineral Resource estimate less recorded treatment by Newmont Asia Pacific.
- Tonnes and ounces rounded to the nearest thousand and grade rounded to 0.1g/t. Rounding may affect tallies.
- The information in this report pertaining to Mineral Resources for the Central Tanami Project was compiled by Mr Bill Makar (MAusIMM), Consultant Geologist – Tanami Gold NL, Mr Michael Thomson (MAusIMM), Principal Geologist for Tanami Gold NL, Mr Steven Nicholls (MAIG), former Senior Geologist for Tanami Gold NL, Mrs Claire Hillyard (MAusIMM), Resource Geologist for Tanami Gold NL and Mr Peter Ball (MAusIMM), Director of Datageo Geological Consultants. Mr Makar, Mr Thomson, Mr Nicholls, Mrs Hillyard and Mr Ball have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as Competent Persons as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Makar, Mr Nicholls, Mrs Hillyard and Mr Ball consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.
- ML22934 Resource consists of two Resources - Groundrush Deposit (6.7million tonnes at 4.8g/t for 1,040,000) and Ripcord Deposit (1.1 Million tonnes at 2.5g/t for 89,000oz).

Table 3 Schedule of mineral tenements- Western Australia

WESTERN AUSTRALIA

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

WA (TGNL 100%)	Name	Granted From	Expiry Date	Blocks
E80/1481	Balwina	05/10/93	04/10/14	24
E80/1483	Bold Hill	16/04/92	15/04/14	15
E80/1679	Southside	15/03/94	14/03/14*	18
E80/1737	Camel Hump	22/03/94	21/03/14*	28
E80/3388	Olive	15/05/06	14/05/15	35
E80/3389	Popeye	15/05/06	14/05/15	35
E80/3665	Border	19/10/07	18/10/17	17
M80/559	Coyote 1	27/09/05	26/09/26	997 hectares
M80/560	Coyote 2	27/09/05	26/09/26	998 hectares
M80/561	Coyote 3	27/09/05	26/09/26	988 hectares
M80/563 ¹	Bald Hill 2	02/12/05	01/12/26	978 hectares

WESTERN AUSTRALIA TOTAL

611 km²

* Application for Extension of term lodged.

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

Table 4 Schedule of Mineral Tenements- Northern Territory

NORTHERN TERRITORY				
CENTRAL TANAMI (TGNL 100%)	Name	Granted From	Expiry Date	Blocks
EL8797	Gamma	09/09/99	25/08/14	2
EL9763	Red Hills	24/07/00	23/07/15	7
EL9843	Chapmans Hill	27/03/06	31/12/15	21
EL10355	Red Hills North	04/06/01	03/06/15	4
EL10411	Tanami Downs North	04/06/01	03/06/15	7
EL22061	Farrands Hill South	27/03/06	31/12/15	13
EL22229	Question Mark Bore East	08/06/01	07/06/15	8
EL22378	Question Mark Bore Far East	08/06/01	07/06/15	6
EL23342	Coomarie	25/05/06	31/12/15	8
EL26925	Goanna 2	25/01/11	24/01/15	60
EL26926	Black Hills 2	25/01/11	24/01/15	204
EL28282	Suplejack	20/04/11	19/04/17	35
EL28474	Rushmore	12/03/13	11/03/19	148
EL(A)28283	Goat Creek 2	Application		72
EL(A)28613	Gamma East	Application		123
ML22934	Groundrush	14/09/01	13/09/26	3950 hectares
MLS119	Reward	15/05/64	31/12/30	8 hectares
MLS120	No. 1 South	15/05/64	31/12/30	8 hectares
MLS121	No. 2 South	15/05/64	31/12/30	8 hectares
MLS122	No. 3 South	15/05/64	31/12/30	8 hectares
MLS123	No. 4 South	15/05/64	31/12/30	8 hectares
MLS124	No. 1 North	15/05/64	31/12/30	8 hectares
MLS125	No. 2 North	15/05/64	31/12/30	8 hectares
MLS126	No. 3 North	15/05/64	31/12/30	8 hectares
MLS127	No. 4 North	15/05/64	31/12/30	8 hectares
MLS128	No. 5 North	15/05/64	31/12/30	7 hectares
MLS129	No. 6 North	15/05/64	31/12/30	8 hectares
MLS130	East Block	15/05/64	31/12/30	8 hectares
MLS131	No. 5 South	15/05/64	31/12/30	8 hectares
MLS132	No. 6 South	15/05/64	31/12/30	8 hectares
MLS133	South-East Block	15/05/64	31/12/30	8 hectares
MLS153	Tanami Extended	05/10/90	04/10/15	1000 hectares
MLS167	Matilda	13/10/95	31/12/20	1877 hectares
MLS168	Enterprise	13/10/95	31/12/20	712 hectares
MLS(A)172	Crusade	Application		3946 hectares
MLS180	Molech	18/11/98	31/12/22	804 hectares

NORTHERN TERRITORY TOTAL

2,268 km²

quarterly report

FOR THE PERIOD ENDING 30 SEPTEMBER 2014

Competent Person Statement

The information in this report that relates to all Mineral Resources other than the Kavanagh April 2014 Resource is based on information compiled by Mr Michael Thomson, a full time employee and Principal Geologist of Tanami Gold NL. Mr Thomson is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Thomson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Kavanagh April 2014 Mineral Resource, Geological Data and Exploration Results is based on, and fairly represents information and supporting documentation compiled by Mr Michael Thomson, a full time employee of Tanami Gold NL. Mr Thomson is a Member of The Australian Institute of Geoscientists and 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 Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Thomson consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

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

TANAMI GOLD NL

ABN

51 000 617 176

Quarter ended ("current quarter")

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	301	301
1.2 Payments for (a) exploration & evaluation	(516)	(516)
(b) development	-	-
(c) production	² (966)	¹ (966)
(d) administration	(412)	(412)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	15	15
1.5 Interest and other costs of finance paid	(110)	(110)
1.6 Income taxes paid	-	-
1.7 Other – withholding tax paid	(15)	(15)
Net Operating Cash Flows	(1,703)	(1,703)
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 – payment for security bond	-	-
1.13 Other – refund of security bond	71	71
Net investing cash flows	(71)	(71)
1.14 Total operating and investing cash flows (carried forward)	(1,632)	(1,632)

¹ In accordance with the Licence & Lease Agreement announced 7 July 2014 between the Company and ABM Resources NL ("ABM"), the Company received two care and maintenance payments from ABM during the quarter totalling \$272k. Monthly invoices to cover the Company's care and maintenance costs are issued to ABM in arrears with the September payment expected to be received in October.

² The Company's sole operating gold mine (Coyote) was placed on care and maintenance 24 April 2013. The on-going care and maintenance costs incurred at Coyote are captured internally by Management within its existing production departments (Maintenance, Underground and Processing). The presentation of the

+ See chapter 19 for defined terms.

Appendix 5B Mining exploration entity and oil and gas exploration entity quarterly report

care and maintenance costs as production costs within the Appendix 5B is consistent with Company guidelines and internal reporting. Production costs include an amount for \$150,000 to settle, by way of Consent Orders, the District Court Action commenced with Australian Resources Contracting Pty.

1.14	Total operating and investing cash flows (brought forward)	(1,632)	(1,632)
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	2,000	2,000
1.18	Repayment of borrowings	(104)	(104)
1.19	Dividends paid	-	-
1.20	Other (provide details if material)	(136)	(136)
	Net financing cash flows	1,760	1,760
	Net increase (decrease) in cash held	128	128
1.21	Cash at beginning of quarter/year to date	925	925
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	1,053	1,053

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
1.24	Aggregate amount of payments to the parties included in item 1.2	(76)
1.25	Aggregate amount of loans to the parties included in item 1.10	-

1.26 Explanation necessary for an understanding of the transactions

N/A

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

+ See chapter 19 for defined terms.

- 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 6,000	9,000
3.2 Credit standby arrangements	-	-

³ The Company has a \$15million unsecured Loan Facility with Sun Hung Kai International Bank [Brunei] Limited ("SHKIBBL") of which \$6million in funds remain available for drawdown. The Loan Facility repayment date is 31 March 2016.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	680
4.2 Development	-
4.3 Production	⁴ 110
4.4 Administration	⁵ 488
Total	1,278

⁴ The Company's production costs are substantially offset by the monthly care and maintenance payments received from ABM. These payments are equal to the care and maintenance costs incurred by the Company each month during the Licence Term, but not exceeding \$150,000 in any one month.

⁵ Administration costs exclude the repayment of the Company's borrowings, interest and facility fees, associated with the Company's \$15million unsecured Loan Facility with SHKIBBL, which are the amounts represented at 1.18 and 1.20.

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	1,053	925
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	1,053	925

+ See chapter 19 for defined terms.

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		Reduction in area by Compulsory/ Voluntary <u>Partial Surrender</u> Nil		
		<u>Outright Surrender</u>		
	E80/1677	32 blocks (103 km ²)	100%	NIL
	E80/1905	38 blocks (122 km ²)	100%	NIL
	E80/2036	8 blocks (26 km ²)	100%	NIL
	E80/2133	12 blocks (38 km ²)	100%	NIL
	E80/3238	4 blocks (13 km ²)	100%	NIL
	E80/3378	3 blocks (10 km ²)	100%	NIL
	E80/3845	3 blocks (10 km ²)	100%	NIL
	E80/3846	2 blocks (6 km ²)	100%	NIL
	E80/3847	4 blocks (13 km ²)	100%	NIL
	E80/4006	64 blocks (205 km ²)	100%	NIL
	E80/4305	34 blocks (109 km ²)	100%	NIL
	E80/4306	42 blocks (134 km ²)	100%	NIL
	E80/4307	88 blocks (282 km ²)	100%	NIL
	M80/562	978 ha	100%	NIL
	M80/564	990 ha	100%	NIL
		<u>Expiry</u>		
	<u>Withdrawal</u> Nil			
	<u>Sale</u> Nil			
6.2 Interests in mining tenements and petroleum tenements acquired or increased		Application for Exploration Licence Nil		
		<u>Purchase</u> Nil		

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.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

	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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	1,175,097,046	1,175,097,046		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	300,000 112,500 112,500	- - -	<i>Exercise price</i> \$1.34 \$0.90 \$1.00	<i>Expiry date</i> 22/12/2016 28/03/2017 28/03/2017
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>				

+ 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: Pauline Collinson
(Company secretary)

Date: 30 October 2014

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.