



Quarterly Report

Period Ending September 30 2017

Quarterly Highlights

- Expanded growth strategy to strengthen Hot Chili's Productora copper project in Chile gathers momentum with the execution of a two non-binding Letters of Intent to secure high-grade copper-gold satellite projects.
- Both projects located on highly prospective landholdings, have been privately held for several decades, and had very little modern exploration.
- Multiple activity streams underway to prepare for drilling high grade and bulk tonnage resource growth potential once formal agreements are executed and environmental approvals received.
- Partnerships for other expansion opportunities begin evaluated.
- All loan securities discharged over Hot Chili and its subsidiaries following repayment of all outstanding debt to Sprott Resource Lending Partnership in June.
- Blue Spec offer to accept up to a maximum of US\$1 million in Hot Chili shares in consideration for drilling services approved by shareholders.
- Global copper prices have risen more than 50% in the past year to over US\$3.00/lb. Above \$3.00/lb copper, every \$5c/lb increase adds US\$28 million in NPV to the valuation of Productora- which is equivalent to HCH current market cap.
- Hot Chili is significantly leveraged to improving copper price as one of the largest and most advanced copper developments on the ASX.

ASX CODE

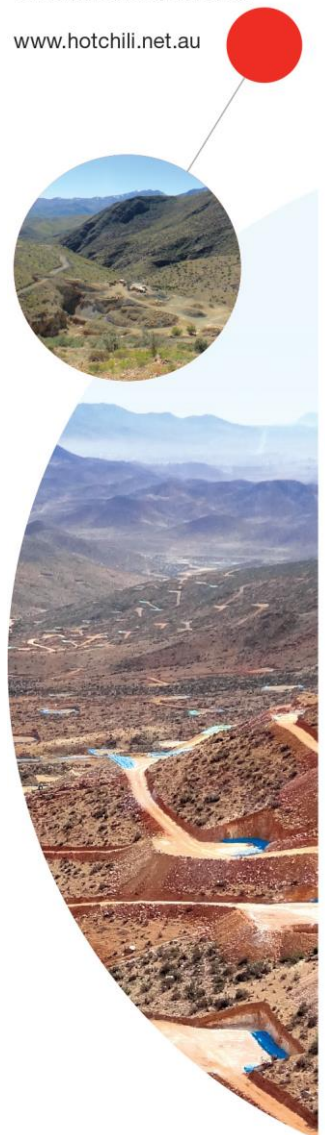
HCH

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Summary of Activities

The third quarter of 2017 has been extremely positive, with the Company now financially well-positioned and significantly de-risked after paying off its debt in June and removing all loan securities in July. Hot Chili is now able to take advantage of rising copper market conditions and focus on exploration growth activities at its exciting new high-grade projects.

The Company welcomed Sprott representative Randall Nickson to the Board as a Non-Executive Director during the quarter, with Mr Nickson's experience considered a valuable asset in the growth and advancement of Productora toward production.

Hot Chili is also very pleased with the continuing support of Blue Spec ensuring that further exploration drill testing of its projects can be achieved with minimal cash expenditure.

The Company has been very busy on the acquisition front, having executed two non-binding Letters of Intent (LOI) as part of an expanded growth strategy to secure a stable of high-grade copper-gold satellite projects within close development distance of Productora.

Both projects are located on highly prospective landholdings, have been privately held for several decades, and have seen very little exploration or drilling. This represents an exciting opportunity for the Company to utilise modern exploration techniques to rapidly unlock the potential of the projects.

In a rising copper market, the addition of these new high-grade projects will give Hot Chili even greater leverage to the improving copper price, as one of the largest and most advanced copper developments on the ASX.

Good progress is being made on the exploration front with multiple activity streams underway to preparation for drill testing both high grade and bulk tonnage resource growth potential at each of the projects once formal agreements have been executed.

Reconnaissance mapping and geochemical sampling has commenced at the new high-grade projects as part of first pass geological assessment and due diligence. Data acquisition and compilation exercises are also well advanced, with a 3D geological model being constructed (for the first time ever), ensuring that all legacy data is utilised to optimise drill planning and ultimately drill success.

Environmental applications are being prepared for the new satellite projects in anticipation of execution of formal agreements shortly. Once approvals are received the Company will be well positioned to undertake drilling early in the New Year.

Hot Chili is well established in Chile and benefits from almost a decade of operating in country. In that time the Company has fostered many partnerships, which allows for rapid review and evaluation of expansion opportunities. Hot Chili is actively assessing further suitable projects in its strategy to build a large-scale copper production centre in Chile.



Expanded Growth Strategy to Strengthen Productora

Since delivering a Pre-feasibility Study in 2016 outlining a 10-year mine life, with annual production of 66ktpa copper and 25koz gold over the first 8 years, the Company has focussed its efforts on unlocking opportunities to increase mine life and scale at Productora.

In support of its bulk tonnage growth strategy, Hot Chili is now also focused on opportunities to increase Productora's head-grade and annual metal production via the incorporation of nearby high-grade exploration and development satellite projects.

The Productora growth strategy is gathering momentum, with the Company having executed two non-binding Letters of Intent to secure a stable of high-grade satellite projects within close development distance of Productora, as seen in Figure 1. These satellite projects have the potential to host high-grade ore sources that can take advantage of Productora's planned large-scale, low-cost processing facilities.

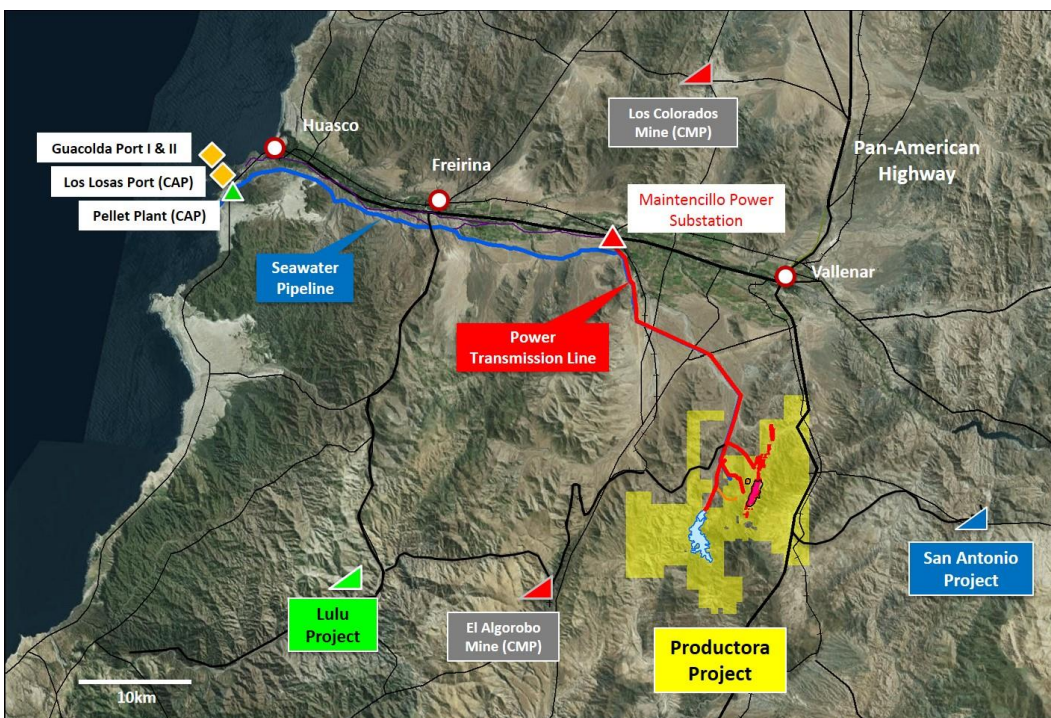


Figure 1 Productora copper project in relation to San Antonio and Lulu satellite projects and coastal range infrastructure position.

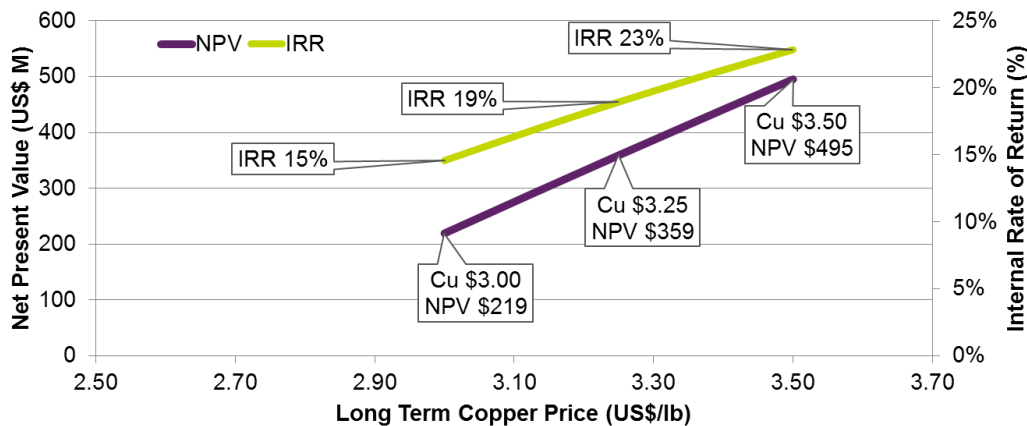
Copper Price and Asset Value- Strong Leverage to Improving Conditions

The improving copper price environment and its strong leverage to Productora's existing asset value means that Hot Chili is poised for a significant re-rate. The Company's fully dilute market capitalisation of approximately \$30 million is substantially lower than the \$240 million market capitalisation the Company was valued at when the copper price was last at these levels.



Productora's 2016 PFS was completed using a long-term copper price of US\$3.00/lb. Over the past 12 months copper price has risen by more than 50%, rising from approximately US\$2.00/lb in early 2016 to approximately US\$3.10/lb today.

Figure 2 below outlines Productora's significant exposure and economic sensitivity to long term copper price as outlined in the Company's 2016 PFS (as announced to ASX on 2nd March 2016 "Hot Chili Delivers PFS and Near Doubles Reserves at Productora").



* Refer to ASX Announcement dated 2nd March 2016, Independent Financial Analysis by Amec Foster Wheeler

Figure 2 Financial analysis of Productora PFS valuation in relation to copper price.

San Antonio Copper-Gold Project

The Company has executed a non-binding Letter of Intent (LOI) for a Joint Venture (JV) Option Agreement to earn a 90% interest in the San Antonio project, located 20km directly east of Productora (Figure 1). For further details on the proposed Joint Venture please refer to the ASX release, dated August 30 2017.

Importantly, the project has been privately owned for several decades and contains a substantial underground mine which historically produced some 2Mt of ore material with an average grade of approximately 2% copper and 0.3g/t gold. The mine has been exploited over a 200m strike length to a vertical depth of 130m.





Little modern exploration and very limited drilling has been undertaken over the project which comprises 12 exploitation leases covering 1,566ha.

Copper mineralisation is associated with a sequence of moderately east-dipping sandstone and limestone/andesite units which have seen extensive skarn alteration adjacent to a granitic contact along the project's eastern margin. The zone of skarn alteration has been recognised over a 2.5km strike extent within the project.

Andesite units host the majority of mineralisation which was exploited underground at true widths ranging between 7m and 30m (10m average). Sulphide copper is associated with chalcopyrite, minor bornite, pyrrhotite and magnetite.

Since executing the San Antonio LOI the Company has initiated multiple work streams in a first pass geological assessment and due diligence of the project. The Company now anticipates executing a formal agreement shortly ahead of commencement of drilling early in the New Year.

Reconnaissance mapping and geochemical sampling over priority areas has commenced, and legacy data compilation is also well advanced. For the first time in San Antonio's history a 3D geological model is being constructed which will aid in optimal drill planning and ultimately drill success.

The Company is very encouraged by the work that has been undertaken thus far, with multiple high-grade targets identified that are to be tested by first pass drilling. Further detail on the work programmes and initial results are expected to be announced over the coming weeks and months ahead.

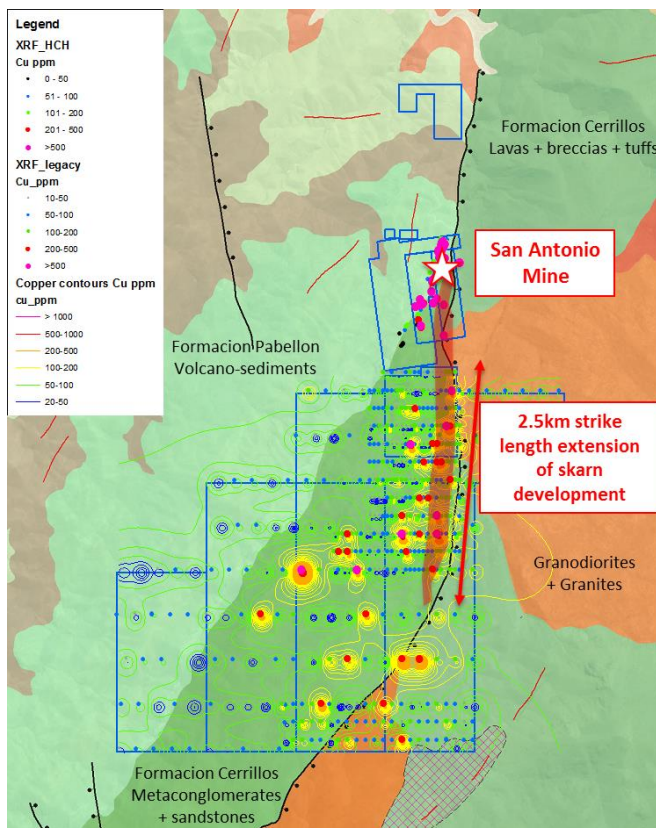


Figure 3 San Antonio copper-gold project landholding, regional geology and preliminary surface geochemical data





Lulu Copper-Gold Project

The Company has executed a non-binding Letter of Intent (LOI) for a Joint Venture Option Agreement to earn a 70% interest in the Lulu project, located 30km directly west of Productora (Figure 1). For further details on the proposed Joint Venture please refer to ASX release, dated September 5 2017.

Lulu is a relatively early stage exploration project which has never been drill tested and comprises two exploitation leases covering 40ha.

Importantly, the project represents the direct extension of one of the regions highest grade substantial underground mines. This mine reportedly exploited vein hosted material to 600m depth, over widths ranging between 1.5m and 2m and grades averaging 6% copper and 3g/t gold.

Higher grade ore shoots within the historical underground mine, adjacent to the Lulu project, exploited vein widths up to 7m with grades averaging 12% copper and 5g/t gold.



Technical due diligence by Hot Chili has confirmed the presence of the main copper-gold hosting structure, extending from the historical underground mine over a strike extent of approximately 800m within the Lulu project as displayed in Figure 4. Surface geochemical sampling has also been undertaken at Lulu with preliminary results expected in the coming weeks.

Mining in the area surrounding the Lulu project dates back to the late 19th century. However, fractured ownership by multiple private landholders has restricted modern exploration, preserving highly prospective areas, such as the Lulu project, which have never been drill tested.

Copper mineralisation at Lulu is hosted within a moderately (60 - 70°) southwest dipping carbonate vein which varies in width between 0.7m and 4.1m (where observed). The main carbonate vein trends NW-SE and transects a granodiorite which has also been variably intruded by andesitic dykes. Brecciation and secondary veining occurs within a 10m to 15m wide zone encompassing the main copper-bearing carbonate vein.

Oxidation at Lulu occurs to a depth of approximately 75m vertical, where oxide copper mineralisation is associated with malachite, chrysocolla and cuprite. Sulphide copper is associated with chalcopyrite, bornite and minor covellite.

The Company is very pleased with the outcome of technical due diligence and expects to execute a





formal agreement for Lulu shortly. Environmental applications are being prepared, and once approvals are received the Company will be well positioned to undertake drilling in the New Year.

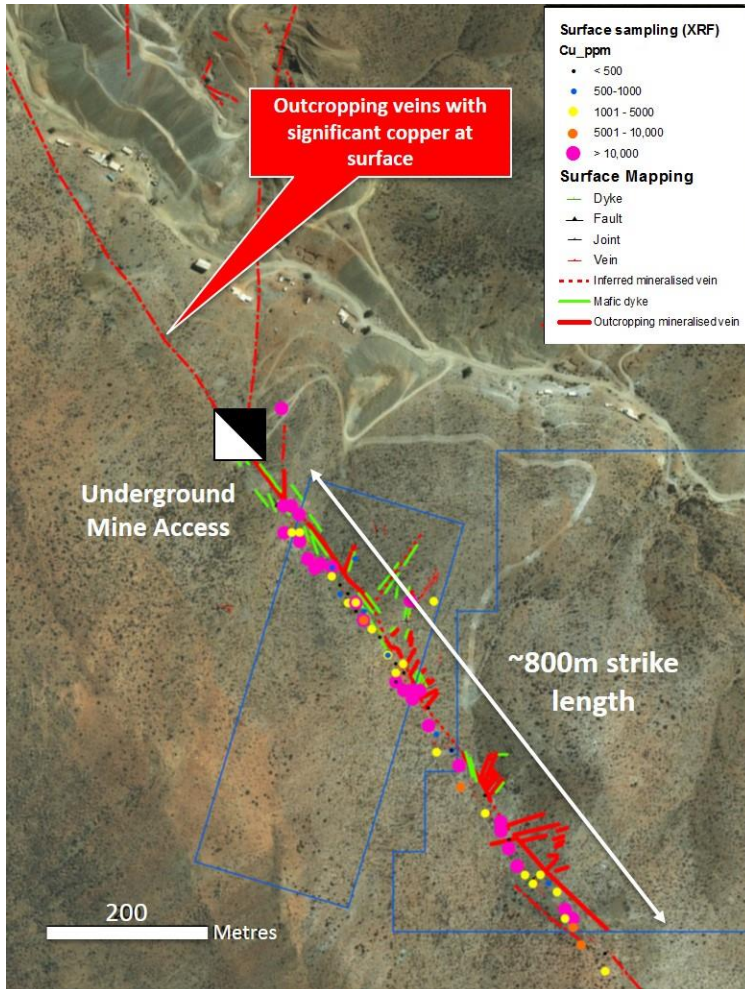


Figure 4 Lulu copper-gold project landholding (in blue) and preliminary surface mapping of the main copper-bearing vein system

Loan Securities Removed and Debt Free

All loan securities were removed from the Company and its subsidiaries during the quarter following the repayment of all outstanding debt to Sprott Resource Lending Partnership in June.

Paying off the Company's debt ensures that Hot Chili is financially well-positioned, and achieves a key near-term financing target. The Company is now significantly de-risked and able to take advantage of rising copper market conditions and success from the drill bit.

With the Company's balance sheet now strengthened, Hot Chili is able to fully focus on its growth activities at Productora.





Appointment of New Board Member

Sprott representative, Randall Nickson has been appointed to the Board of Hot Chili as a Non-Executive Director.

Mr. Nickson has more than 35 years of global experience in the mining industry, including 14 years based in Chile devoted to copper exploration. His career includes work across a range of base and precious metals, bulk commodities and energy. He holds an honours degree in Geological Engineering and a Masters degree in Business Administration.

Randall is currently engaged as an independent consultant to the exploration sector, specializing in business development, commercial advisory and business evaluations. Prior to that he spent 16 years with BHP, where he worked in a variety of senior technical, exploration management and business development roles while based in Chile, Brazil and Australia. He is a member of the Australasian Institute of Mining & Metallurgy and the Prospectors and Developers Association of Canada.

The Board of Hot Chili looks forward to Randall's contribution toward the growth and advancement of Productora toward production.

Blue Spec Shows Continued Support

A General Meeting held on 31 August 2017 saw shareholders approve the issue of shares to Blue Spec Sondajes Chile SpA (Blue Spec) for drilling services.

Blue Spec have offered, and may elect, to accept up to a maximum of US\$1 million in Hot Chili shares in consideration for any further drilling that Hot Chili may decide to undertake.

The Company is very pleased with the continuing support of Blue Spec to ensure that further exploration drill testing of Productora's potential scale can be achieved with minimal cash expenditure.

Health, Safety, Environment and Quality

Hot Chili's sustainability framework ensures an emphasis on business processes that target long-term economic, environmental and social value. The Company is dedicated to continual monitoring and improvement of health, safety and the environmental systems.

The company is pleased to report that there were no incidents recorded for the quarter. Field operations during the period including geological reconnaissance activities, field mapping and sampling exercises and environmental rehabilitation of drill platforms.

The Company's HSEQ quarterly performance is summarised below:





HSEQ Quarter 3 2017 Performance and Statistics

Item	Jul-Sep /17	Last 24 Months
LTI events	0	0
NLTI events	0	0
Days lost	0	0
LTIFR index	0	0
ISR index	0	0
Thousands of mh (1)	4.6	19.6
Environmental incidents	0	0
Headcount (1)	12.3	5.3

Notes: HSEQ is the acronym for Health, Safety, Environment and Quality. LTIFR per million man hours. Safety performance is reported on a monthly basis to the National Mine Safety Authority on a standard E-100 form; (1) man-hours; (2) Average monthly headcount

Tenement Changes during the Quarter

No tenement changes occurred during the quarter.





Qualifying Statements

JORC Compliant Ore Reserve Statement

Productora Open Pit Probable Ore Reserve Statement – Reported 2nd March 2016

Ore Type	Reserve Category	Tonnage (Mt)	Grade			Contained Metal			Payable Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Oxide	Probable	24.1	0.43	0.08	49	103,000	59,600	1,200	55,600		
Transitional		20.5	0.45	0.08	92	91,300	54,700	1,900	61,500	24,400	800
Fresh		122.4	0.43	0.09	163	522,500	356,400	20,000	445,800	167,500	10,400
Total	Probable	166.9	0.43	0.09	138	716,800	470,700	23,100	562,900	191,900	11,200

Note 1: Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Note 2: Price assumptions: Cu price - US\$3.00/lb; Au price US\$1200/oz; Mo price US\$14.00/lb. Note 3: Mill average recovery for fresh Cu - 89%, Au - 52%, Mo - 53%. Mill average recovery for transitional; Cu 70%, Au - 50%, Mo - 46%. Heap Leach average recovery for oxide; Cu - 54%. Note 4: Payability factors for metal contained in concentrate: Cu - 96%; Au - 90%; Mo - 98%. Payability factor for Cu cathode - 100%.

JORC Compliant Mineral Resource Statements

Productora Higher Grade Mineral Resource Statement, Reported 2nd March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	166.8	0.50	0.11	151	841,000	572,000	25,000
	Inferred	51.9	0.42	0.08	113	219,000	136,000	6,000
	<i>Sub-total</i>	<i>218.7</i>	<i>0.48</i>	<i>0.10</i>	<i>142</i>	<i>1,059,000</i>	<i>708,000</i>	<i>31,000</i>
Alice	Indicated	15.3	0.41	0.04	42	63,000	20,000	600
	Inferred	2.6	0.37	0.03	22	10,000	2,000	100
	<i>Sub-total</i>	<i>17.9</i>	<i>0.41</i>	<i>0.04</i>	<i>39</i>	<i>73,000</i>	<i>23,000</i>	<i>700</i>
Combined	Indicated	182.0	0.50	0.10	142	903,000	592,000	26,000
	Inferred	54.5	0.42	0.08	109	228,000	138,000	6,000
	<i>Total</i>	<i>236.6</i>	<i>0.48</i>	<i>0.10</i>	<i>135</i>	<i>1,132,000</i>	<i>730,000</i>	<i>32,000</i>

Reported at or above 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred.



Productora Low Grade Mineral Resource Statement, Reported 2nd March 2016

Deposit	Classification	Tonnage (Mt)	Grade			Contained Metal		
			Cu (%)	Au (g/t)	Mo (ppm)	Copper (tonnes)	Gold (ounces)	Molybdenum (tonnes)
Productora	Indicated	150.9	0.15	0.03	66	233,000	170,000	10,000
	Inferred	50.7	0.17	0.04	44	86,000	72,000	2,000
	Sub-total	201.6	0.16	0.04	60	320,000	241,000	12,000
Alice	Indicated	12.3	0.14	0.02	29	17,000	7,000	400
	Inferred	4.1	0.12	0.01	20	5,000	2,000	100
	Sub-total	16.4	0.13	0.02	27	22,000	9,000	400
Combined	Indicated	163.2	0.15	0.03	63	250,000	176,000	10,000
	Inferred	54.8	0.17	0.04	43	91,000	74,000	2,000
	Total	218.0	0.16	0.04	58	341,000	250,000	13,000

Reported at or above 0.1% Cu and below 0.25 % Cu. Figures in the above table are rounded, reported to two significant figures, and classified in accordance with the Australian JORC Code 2012 guidance on Mineral Resource and Ore Reserve reporting. Metal rounded to nearest thousand, or if less, to the nearest hundred. Metal rounded to nearest thousand, or if less, to the nearest hundred.

Mineral Resource and Ore Reserve Confirmation

The information in this report that relates to Mineral Resources and Ore Reserve estimates on the Productora copper projects were originally reported in the ASX announcements "Hot Chili Delivers PFS and Near Doubles Reserves at Productora" dated 2nd March 2016. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Person's Statement- Exploration Results

Exploration information in this Announcement is based upon work undertaken by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that 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' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Person's Statement- Mineral Resources

The information in this Announcement that relates to the Productora Project Mineral Resources, is based on information compiled by Mr J Lachlan Macdonald and Mr N Ingvor Kirchner. Mr Macdonald is a part time employee of Hot Chili, and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Kirchner is employed by AMC Consultants (AMC). AMC has been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Mineral Resource estimates. Mr Kirchner is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM) and is a Member of the Australian Institute of Geoscientists (AIG). Both Mr Macdonald and Mr Kirchner have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the JORC Code 2012). Both Mr Macdonald and Mr Kirchner consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.



Competent Person's Statement- Ore Reserves

The information in this Announcement that relates to Productora Project Ore Reserves, is based on information compiled by Mr Carlos Guzmán, Mr Boris Caro, Mr Leon Lorenzen and Mr Grant King. Mr Guzmán is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), a Registered Member of the Chilean Mining Commission (RM- a 'Recognised Professional Organisation' within the meaning of the JORC Code 2012) and a full time employee of NCL Ingeniería y Construcción SpA (NCL). Mr Caro is a former employee of Hot Chili Ltd, now working in a consulting capacity for the Company, and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Member of the Chilean Mining Commission. Mr Lorenzen is employed by Mintrex Pty Ltd and is a Chartered Professional Engineer, Fellow of Engineers Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr King is employed by AMEC Foster Wheeler (AMEC FW) and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). NCL, Mintrex and AMEC FW have been engaged on a fee for service basis to provide independent technical advice and final audit for the Productora Project Ore Reserve estimate. Mr. Guzmán, Mr Caro, Mr Lorenzen and Mr King have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are 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 Guzmán, Mr Caro, Mr Lorenzen and Mr King consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Forward Looking Statements

This Announcement is provided on the basis that neither the Company nor its representatives make any warranty (express or implied) as to the accuracy, reliability, relevance or completeness of the material contained in the Announcement and nothing contained in the Announcement is, or may be relied upon as a promise, representation or warranty, whether as to the past or the future. The Company hereby excludes all warranties that can be excluded by law. The Announcement contains material which is predictive in nature and may be affected by inaccurate assumptions or by known and unknown risks and uncertainties, and may differ materially from results ultimately achieved.

The Announcement contains "forward-looking statements". All statements other than those of historical facts included in the Announcement are forward-looking statements including estimates of Mineral Resources. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper, gold and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement" to reflect events or circumstances after the date of the Announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws. All persons should consider seeking appropriate professional advice in reviewing the Announcement and all other information with respect to the Company and evaluating the business, financial performance and operations of the Company. Neither the provision of the Announcement nor any information contained in the Announcement or subsequently communicated to any person in connection with the Announcement is, or should be taken as, constituting the giving of investment advice to any person.





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, 01/05/13, 01/09/16

Name of entity

Hot Chili Ltd	
ABN	Quarter ended ("current quarter")
91130955725	30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(218)	(218)
(b) development	-	-
(c) production		
(d) staff costs	(167)	(167)
(e) administration and corporate costs	(157)	(157)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(45)	(45)
1.6 Income taxes paid (Municipal Tax)	(106)	(106)
1.7 Research and development refunds		
1.8 Other (provide details if material) Lease rent Payment	(315)	(315)
1.9 Net cash from / (used in) operating activities	(1,006)	(1,006)



Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) tenements (see item 10) (Lease payment)	-	-
(c) investments		
(d) other non-current assets		
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)		
2.6 Net cash from / (used in) investing activities	(3)	(3)
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes	383	383
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	(556)	(556)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		





Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3months) \$A'000
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	(173)	(173)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,404	2,404
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,006)	(1,006)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(173)	(173)
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	1,222	1,222





5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,134	2,316
5.2 Call deposits	88	88
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,222	2,404

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	102
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Directors salaries and superannuation	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	
Payment for drilling at commercial rates	



8. Financing facilities available
Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
 8.2 Credit standby arrangements
 8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000

- 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	300
9.2 Development	0
9.3 Production	0
9.4 Staff costs	300
9.5 Administration and corporate costs	160
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	760





10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:

Date: 30th October 2017

(Company secretary)

Print name: John Sendziuk

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

