



Perpetual

RESOURCES LIMITED

QUARTERLY EXPLORATION REPORT SEPTEMBER 2014

1. PT ATOZ INDONESIA

Pt Atoz Nusantara Mining ("PANM") received notification that production work commenced during the quarter on the PT Atoz Coal project.

PANM have started preparing the site for production which will include stockpile, camp organization, house rentals, local recruitment, purchasing of fieldwork tools, organizing local landowners, hauling road plan, excavator and truck mobilization, wash plant acquisition and water pond construction.

PANM advised during the quarter that actual waste and coal mining should commence in November 2014 with the aim of first sales by December 2014.

Perpetual Resources announced on 12 June 2014 that it had reached an agreement with PANM to transfer all rights to PANM in return for Perpetual Resources will receive a royalty of US\$3 per tonne of coal sold from the PT Atoz site.

2. WIAGDON THRUST JV. NSW

The Wiagdon Thrust Joint Venture (Perpetual 70%/Oroya 30%) Project contains 10 Exploration Licences located within the Lachlan Fold Belt in eastern NSW with their centre 180km northwest of Sydney. The area contains many historical alluvial and hard rock gold workings with recorded production from the area and including the adjacent Hill End and Hargraves goldfields (20km and <10km respectively) west of the Project area of 4.15 million ounces.

The Joint Venture is actively exploring for potential large tonnage, structurally controlled, disseminated or vein controlled gold, gold-antimony, and gold-copper deposits associated with volcanic and intrusive porphyry and epithermal regimes.

In this current quarter application for partial renewal of three licences was undertaken comprising EL6627, EL6628, and EL6629 (Figure 1). As reported in the June 2014 quarter, five other licences were renewed (partially) and a new licence (EL8269) was obtained.

Collectively the current licences cover a total area of 455 square kilometers. Continuation of reconnaissance drilling at the Old Ilford Road (OIR) Prospect located approximately 8km northeast of Sofala was completed with 3 reverse circulation percussion holes (POI-1, POI-2, and POI-3) for a total length of 550 metres (Figure 2).

For personal use only

In June this year the first hole (POI-4) at this prospect was drilled on the western ridge (Refer to June 2014 Quarterly Report). The current drilling was designed to obtain drill samples below a north to northeast striking ridge, east of hole POI-4. Exploration by the Joint Venture discovered unreported earlier prospecting (circa 1930?) consisting of a series of shafts, pits, open cuts and two adits along this ridge.

Mapping and rock chip & soil sampling at OIR reported in the June 2014 Quarterly Report identified strongly altered tuffaceous sediments, lavas and intrusives confirmed by petrology. The rock sampling resulted in anomalous gold (to 685ppb), silver (to 156ppm), arsenic (to 1,510ppm), antimony (to 25ppm) and zinc (to 313ppm) from 52 samples. Analysis from 160 soil samples resulted in anomalous gold (to 9.61ppm), arsenic (to 552ppm), copper (to 279ppm) and zinc (to 277ppm).

The drilling was undertaken in the last week of September and results are pending.

For personal use only

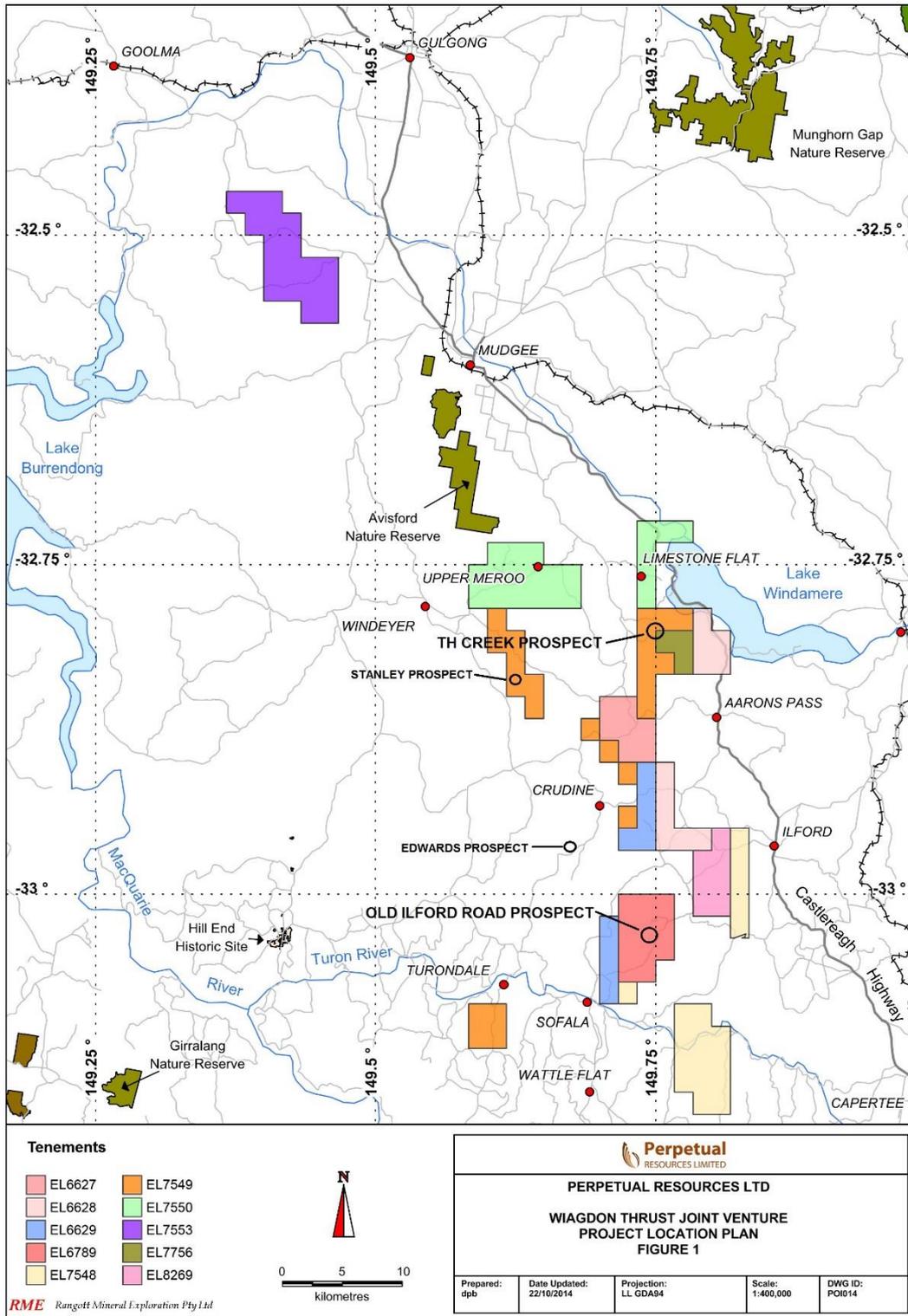
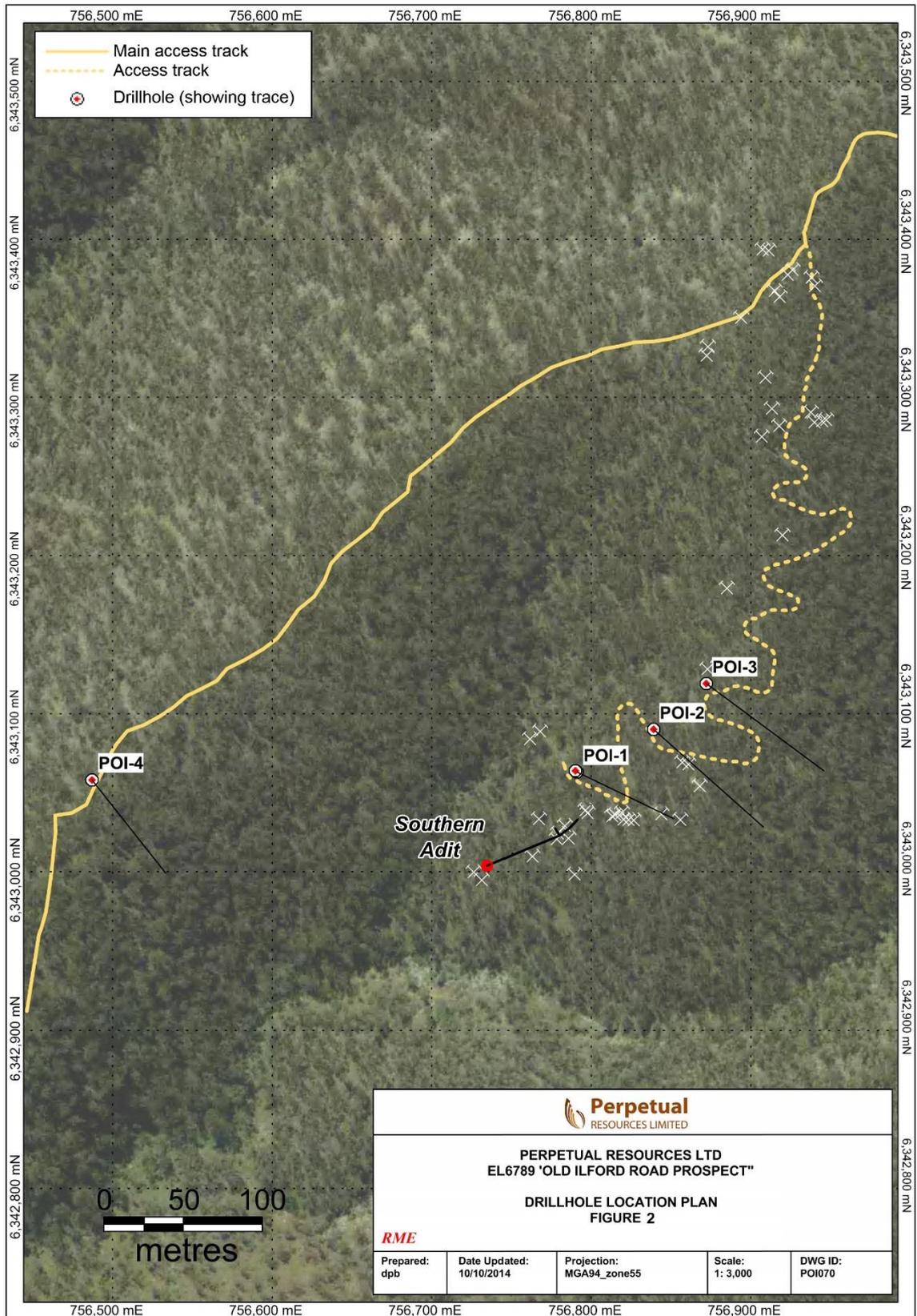


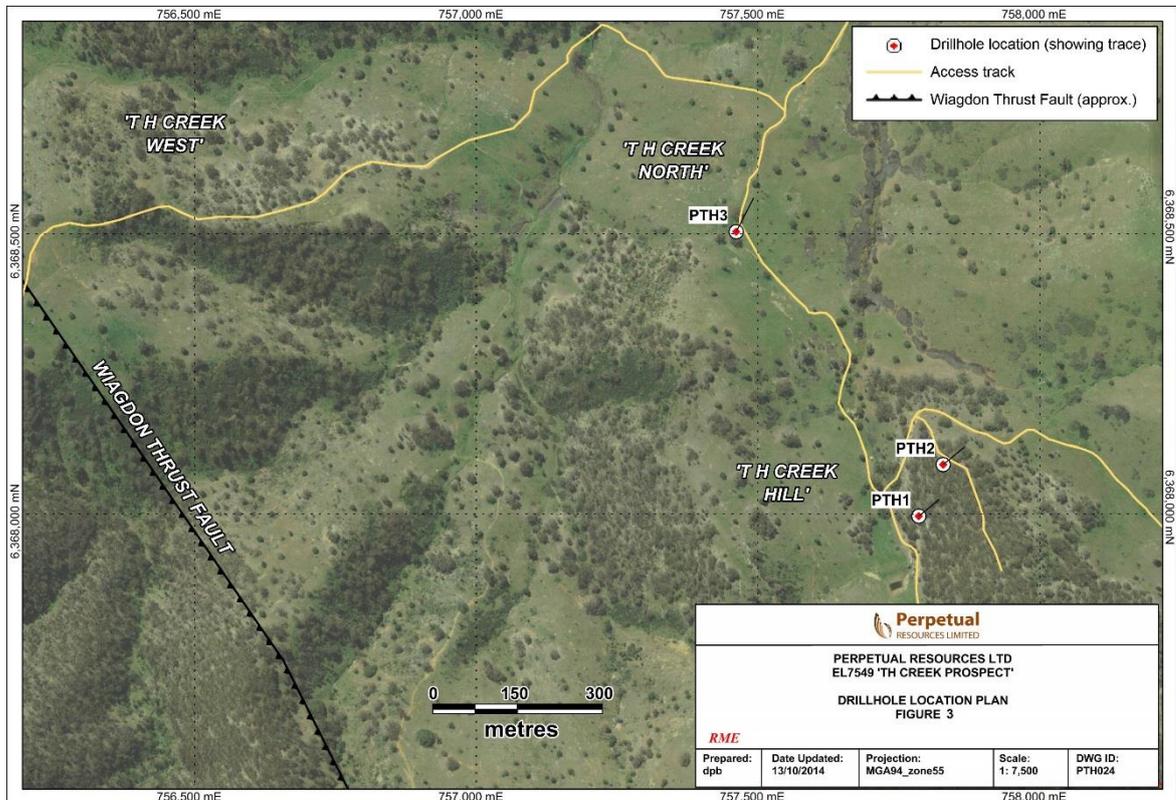
Figure 1. WTJV Exploration Licences as at end of September 2014. (Note; EL6627, 6628, and 6629 are currently under renewal application with NSW Trade and Investment.)



First pass reconnaissance drilling was commenced in late September at the TH Creek Prospect located approximately 5km southeast of Lake Windamere. As reported earlier (June 2014 Quarterly Report) extensive soil sampling had identified three coincident gold-arsenic-antimony anomalies.

The first reverse circulation percussion drill hole (PTH1) was completed at the main anomaly (named TH Creek Hill) for a hole depth of 99 metres (Figure 3). Results are pending. The remaining holes (PTH2 and PTH3) are scheduled to be drilled in October and will be reported once results become available.

Other work carried out in the quarter consisted of rehabilitation at the Edwards (EL6629) and Stanley Prospects (EL7549), and negotiations with local landowners for access to carry out work on other licences (Figure 1). Additional interpretation of the airborne geophysical data was being carried out.



3. CORPORATE

Perpetual Resources Limited during the quarter raised \$250,000 with the issue of 5,000,000 shares at \$0.05 per share to a sophisticated investor to allow the continued exploration of the Wiagdon Thrust Joint Venture Project and for working capital.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Surface samples referred to in this announcement, including soil sampling, rock chip, stream sediments, and sub-surface sampling obtained via reverse circulation drilling. • Soil samples were collected from the base of the 'B' horizon (usually at 10-20cms depth) using a hoepick, small spade and coarse sieved. The undersize from these samples was placed in calico bags and later dried in the bags at RME's (the contractor's) premises in Orange. The samples were then sieved to produce +40# fraction sub-samples which were submitted to Australian Laboratory Services Pty. Ltd.'s (ALS') facility in Orange, NSW. • Rock samples were collected from outcrops, subcrops and float (usually 3 or more large chips for each sample) in calico bags, and submitted to ALS in Orange for analysis. • -3.2mm stream sediment samples were collected from overbank deposits at four locations where Oroya Mining Ltd. had previously collected sediment samples which gave anomalous BLEG values. These samples were dried at RME's premises and sieved to three fractions: -80# Tyler, -40# and +20#, which were submitted to ALS in Orange for analysis for gold and a range of indicator elements. The analytical data from those analyses will be used to determine which fraction should be used for analysis of stream sediment samples in future. A second set of -40# sub-sample was also submitted for

For personal use only

		<p>BCL analysis.</p> <p>Representative washed chips were also collected at 1m intervals in 20-compartment reference trays, photographed and stored at RME's premises in Orange.</p>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Only reverse circulation percussion drilling (nominal 125mm diameter) was carried out. The samples were collected via an in-line cone splitter over one metre intervals, as bulk samples in large plastic bags and 2-3kg samples in calico bags. Three metre composite samples were made up by spearing along the bulk bags and submitted to ALS for analysis for gold and indicator elements. One metre samples were later retrieved from storage for intervals where the composite samples gave anomalous gold or base metal values and submitted to ALS for analysis. • The reverse circulation percussion drilling (125mm nominal hole diameter) was carried out by a contractor using a track mounted top drive hydraulic drill rig, and track mounted compressor of 900cfm / 350psi capacity and booster.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • RC samples were visually compared at the drill site shortly after collection; no significant variations in sample volume were noted. • Reliance on the drill operations, equipment and method. • Not determined, will require comparison with twinned cored hole.
<i>Logging</i>	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> • <i>The total length and percentage</i> 	<ul style="list-style-type: none"> • All drilling was early-stage testing of exploration targets. The 1m chip samples were washed on site and logged to a standard appropriate for exploration holes. Lithotype, alteration and observed mineralisation were recorded, and magnetic susceptibility was recorded at 1m intervals in most holes. • Logging was qualitative. • The full length of each hole was

	<p><i>of the relevant intersections logged.</i></p>	<p>logged.</p>
<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> No core drilling undertaken. Percussion chip composite samples were collected over 3m intervals by spearing sub-samples from the 1m bulk bags on site, and weighed. Sample weights varied from 1.2 to 3.1kg, but most were in the range 2.0-2.5kg. Samples were collected to exploration industry standards. Composite samples were prepared by spearing along the length of the relevant bulk bags 3 times, giving generally consistent weights. Duplicate samples were generally not taken. The sample sizes are considered to be adequate for the type of mineralisation sought and the stage of exploration.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> Percussion chip samples (composite and 1m) were analysed for gold by 50g charge fire assay, either ore-grade (Au-AA26) or to trace level (Au-AA22 and Au-AA24), and indicator metals by ICP-AES after a two-acid (partial) digestion (technique ME-ICP41). Magnetic susceptibility measurements were taken using magROCK or Fugro GMS-2 instruments, as 10^{-5}SI units. Blank samples (Tertiary basalt crusher dust) were inserted approximately as every 20th sample, and 1 or 2 commercial standard samples with each batch of samples (in some cases more frequently). In almost all cases, these gave Au values within the accepted ranges of values.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> 	<ul style="list-style-type: none"> Results pending. No holes twinned. Geological logging, magnetic

For personal use only

	<ul style="list-style-type: none"> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<p>susceptibility and sample intervals</p> <ul style="list-style-type: none"> • Results pending.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Hole collars were laid out and rechecked after drilling using hand-held Garmin 62s GPS meters, to $\pm 3\text{m}$ accuracy. • Mapping Grid of Australia (MGA-94). • Final collars position determined by using a Trimble Geoexplorer 6000 series differential GPS meter, to $\pm 0.1\text{m}$ horizontal and 0.3m vertical accuracy.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Soil samples were collected at 20m, 25m and 50m intervals along lines spaced 25m, 50m and 100m apart. Percussion holes were opportunistically placed. • Rock samples were collected from exposures of interest, during mapping and soil sampling. • Stream sediment samples were collected from both drainage ways, upstream of significant creek junctions. • Reconnaissance drilling only at this stage. • Initial batches of percussion samples were submitted as 3m composites prepared in the field; at a later date 1m samples from the drilling contractor's cone splitter were submitted for those hole intervals where the composite samples had given anomalous metal values.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Soil sample traverses and drill azimuths have been oriented approximately perpendicular to known or interpreted mineralised structures. • Not known at this stage.

<p>Sample security</p>	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Composite and 1m assay samples were removed from the drill sites at the end of each day and stored in Perpetual's secure storage unit in Mudgee until needed for analysis, when they were transferred temporarily to RME's secure premises at Orange prior to submission to ALS for analysis. Bulk 1m samples were stored at the drill sites pending receipt and assessment of all analytical data.
<p>Audits or reviews</p>	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> None undertaken.

JORC Code, 2012 Edition – Table 1 report template

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<p>Mineral tenement and land tenure status</p>	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	<ul style="list-style-type: none"> All of the exploration licences shown in this report form part of the Wiagdon Thrust Joint Venture, which is 70% owned by Neo Resources Limited and 30% owned by Oroya Mining Limited. Neo Resources Limited is 100% owned by Perpetual Resources Limited. The exploration licences are 6627, 6628, 6629, 6789, 7548, 7549, 7550, 7553, 7756, and 8269 in NSW. All licences are applied to explore for category 1 minerals. Combined total of all Licences is 157 graticular units giving a total area of 455 square kilometres. It is generally required in NSW that a 50% area reduction occurs at the time of renewal for each licence. Licences 7548, 7549, 7550, and 7553 have a renewal date of 21 May 2016. Licence 6789 has a renewal date of 28 May 2016. This assumes that renewals are forthcoming from the Department. Offers for renewal of Licences 7548, 7550, 7553, and 6789 have been received and renewed licence for EL7549 has been received. Licences 6627, 6628, and 6629 are currently under consideration with the Department and if approved renewal

		<p>dates of 5 September 2016 will apply.</p> <ul style="list-style-type: none"> • Licence 7756 has a renewal date of 31 May 2015. A new Licence EL8269 was granted in April 2014 for a 2 year period. • EL6789 was a “low Impact Licence” and application for variation of exploration activities was made to allow drilling operations to take place. This was approved at the end of May 2014. • There is a small area of nature reserve on EL7550. These areas are not material. • Crown land is a small part of the licence areas and no work is to be carried out in these areas. They are not material. • Issues relating to native title interests are detailed in Neo Resources Ltd Prospectus 23 July 2010 Section 8.5 Aboriginal Heritage. The Prospectus is available at the following address: http://www.asx.com.au/asxpdf/20100723/pdf/31rqt5sj8xsjr9.pdf • There may be areas or objects of Aboriginal Heritage located on the licences. These would need to be identified prior to any drilling.
	<ul style="list-style-type: none"> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • Prospective areas of EL6628 (referred to as Cudgegong) and EL7549 (referred to as TH Creek) occur in the foreshore area of the Windamere Dam. There have been no restrictions placed on exploration on these licences by NSW Government, Trade and Investment Resources & Energy, however any request to drill and operate in the area will need to be approved by the Dam Safety Committee of NSW.
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Oroya Mining Limited carried out an extensive geochemical sampling project over the extent of the licences during 2008 and 2009. These results are presented in Neo Resources Prospectus 23 July 2010 (pp. 54-66) together with a document on the effectiveness of past exploration (pp. 36-38). • In 1976 a 45 degree angled drillhole DDH 8832S-7 was drilled by Pacminex Pty Ltd to a depth of 306.60m into an identified IP anomaly at the Glasscock prospect. It contained sporadic sulphide veining with no gold in the hole. Surface mapping had outlined anomalous gold (4.2g/t)

		<p>in veining.</p> <ul style="list-style-type: none"> • Neo Resources Ltd considers that this area warrants further drilling in locations along strike of the historic drillhole. • In 1970 Pacminex Pty Ltd (a subsidiary of CSR) carried out close spaced stream sediment sampling and identified two base metal targets, called Stanley and Fletcher. CSR drilled a 109 metres open percussion hole to test the southern anomaly intersecting fresh rock (aphanitic rhyolitic tuff) below 60 metres down-hole, with 5-15% pyrite. A base metal mineralised zone was intersected from 92 to 99 metres down-hole, with maximum values of 170ppm Cu, 1,400ppm Pb, 4,600ppm Zn, 80ppm As, 1ppm Ag and 0.14ppm Au.
Geology	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The geology of the area is highlighted in Neo Resources Prospectus 23 July 2010 (pp. 27-51) Independent Geological Report by Rangott Mineral Exploration Pty Ltd.
Drill hole Information	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> • <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> • Drill holes recently completed as described in this release. • Drill hole information and assays will be released when they become available.
Data aggregation	<ul style="list-style-type: none"> • <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or</i> 	<ul style="list-style-type: none"> • Results pending. • All samples were 3m

<p><i>methods</i></p>	<p><i>minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></p> <ul style="list-style-type: none"> • <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<p>composites for drill holes recently completed.</p> <ul style="list-style-type: none"> • No aggregations, waiting on assays. • None applied.
<p><i>Relationship between mineralisation widths and intercept lengths</i></p>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> • The drill hole lengths when reported are "down hole lengths, true width is not known"
<p><i>Diagrams</i></p>	<ul style="list-style-type: none"> • <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> • Refer to maps included in this announcement.
<p><i>Balanced reporting</i></p>	<ul style="list-style-type: none"> • <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> • Results pending, yet to be released.
<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,</i> 	<ul style="list-style-type: none"> • In 2011-2012 an airborne geophysical survey was carried out by Fugro utilizing airborne magnetics and radiometrics on 50m and 100m centres. The geophysics presented in this release was processed by Mr. Bill Robertson of Value Adding Resources Pty Ltd (Perth).

	<i>geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	<ul style="list-style-type: none"> Independent review of the airborne geophysical data currently being reinterpreted by Spinifex Geophysical. Reference to drill hole POI-4. Refer to June 2014 report for details.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> 	<ul style="list-style-type: none"> Further drilling as stated at general locations referred to in this announcement.
	<ul style="list-style-type: none"> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> See diagrams in this announcement.

The information in this Stock Exchange Announcement that relates to Exploration, together with any related assessments and interpretations, has been approved for release by Mr. C.R. Hastings, MSc, BSc, M.Aus.I.M.M., Mr. Hastings is a Director and part time employee of Perpetual Resources Limited 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 a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Hastings consents to the inclusion of the information contained in this ASX release in the form and context in which it appears.

Tenement Details

License	Location	Interest at July 1	Interest at August 31
EL6627	NSW	70%	70%
EL6628	NSW	70%	70%
EL6629	NSW	70%	70%
EL6789	NSW	70%	70%
EL7548	NSW	70%	70%
EL7549	NSW	70%	70%
EL7550	NSW	70%	70%
EL7553	NSW	70%	70%
EL7556	NSW	70%	70%
EL8269	NSW	100%	100%

For personal use only

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

Perpetual Resources Limited

ABN

82 154 516 533

Quarter ended ("current quarter")

September 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (3 months) \$A
1.1 Receipts from product sales and related debtors	0	0
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(200,522) (95,723)	(200,522) (95,723)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid	(10,045)	(10,045)
1.7 Other (provide details if material)		
	(306,290)	(306,290)
Net Operating Cash Flows		
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)		
	0	0
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(306,290)	(306,290)

1.13	Total operating and investing cash flows (brought forward)		
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	250,000	250,000
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)		
	Net financing cash flows	250,000	250,000
	Net increase (decrease) in cash held	(56,290)	(56,290)
1.20	Cash at beginning of quarter/year to date	144,182	144,182
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	87,892	87,892

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A
1.23	Aggregate amount of payments to the parties included in item 1.2	\$41,166
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Administration Expenses consisted the following.

1. Directors Fees of \$41,166.

The board is currently in the process of finalising an agreement that will give the Company access to funds to allow it to continue its operations moving forward.

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
4.1 Exploration and evaluation	20,000
4.2 Development	
4.3 Production	
4.4 Administration	50,000
Total	70,000

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	Previous quarter \$A
5.1 Cash on hand and at bank	87,892	84,536
5.2 Deposits at call		59,646
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	87,892	144,182

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	60,917,994	34,084,661	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,000,000	\$0.05	\$0.05
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)			<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
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:



(Director)

Date....31 Oct 2014.....

Print name: .George Karafotias.....

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.

== == == == ==