

Quarterly Activities Report Quarter ended 31 December 2016

Highlights

- ✓ The recently completed RC drilling program at Black Flag 30km north-west of Kalgoorlie, WA returned two broad interesting gold intersections of 52m @ 0.2g/t gold from 60m in BFRC0002 and 40m @ 0.2g/t gold from 20m BFRC0001. The two holes are 2.2km apart.
- ✓ A comprehensive geophysical data review of the Johnson Cairn and Maraloou Targets of the Yerrida Basin 100km north of Meekatharra, WA has **identified high priority sediment hosted gold and VHMS target zones**. This review follows on from the CODES University of Tasmania, sediment hosted Gold research.
- ✓ An open file data review of the Maraloou Target **identified a prospective cobalt mineralization horizon** within the Maraloou Formation adjacent to the basal contact with the Juderina Formation, which transects the south east and north east sections of the companies Maraloou exploration tenements.
- ✓ The Company now holds tenure (under joint venture, application or grant) covering 3,225km² across Western Australia, in the Eastern Goldfields, Yerrida Basin and the Pilbara, and in South Australia at Mt Barker, Dawson and Yerelina.

Corporate Activities:

- ✓ During the quarter the Company received an income tax refund of \$243,385 relating to 2016 research and development activities.
- ✓ On 16 November 2016 the Company held its Annual General Meeting and all resolutions were approved by a show of hands.

EXPLORATION ACTIVITIES

BLACK FLAG RC DRILLING

Two broad shallow interesting gold zones, were intersected in **hole BFRC0001 (40m at 0.2g/t from 20m) and hole BFRC0002 (52m at 0.2g/t from 60m) a distance of 2.2 kilometers apart (Figure 1 and 2, Table 1).**

The drill program consisted of three (3) shallow RC holes (BFRC0001 - BFRC0003 for a total of 438m) completed at Black Flag, located 30 kilometers north west of Kalgoorlie.

The drilling tested a section of the previously defined +3.0km long gold-in-saprolite anomaly within the Black Flag Group sediments identified from broad spaced lines of predominantly shallow aircore drilling completed by previous explorers.

Hole ID	Depth From	Depth To	Interval	Gold Grade
BFRC0001	20m	60m	40m	0.2g/t
including	36m	40m	4m	0.5g/t
BFRC0002	60m	112m	52m	0.2g/t
including	72m	76m	4m	0.3g/t
and	108m	112m	4m	0.3g/t
BFRC0003	28m	32m	4m	0.4g/t

Table 1: Black Flag, Summary of Significant RC Intersections

Rock types intersected in the drilling consisted of chloritic and siliceous felsic to intermediate extrusives, siliceous lithic tuffs, lapilli tuffs, sericitic quartz-eye tuffs and fine grained chloritic and/or sericitic sediments of the Black Flag Group. Hole BFRC0001, the western most hole, intersected predominantly tuffaceous and sedimentary rocks, whereas holes BFRC0002 and BFRC0003 intersected more extrusive rocks with lesser interbedded tuffs. The drill hole details are outlined in Appendix 1.

Disseminated fine to very fine grained sulphides (approximately 2%) are common throughout, and comprised almost entirely of euhedral to blebby pyrite with minor chalcopyrite, arsenopyrite and pyrrhotite.

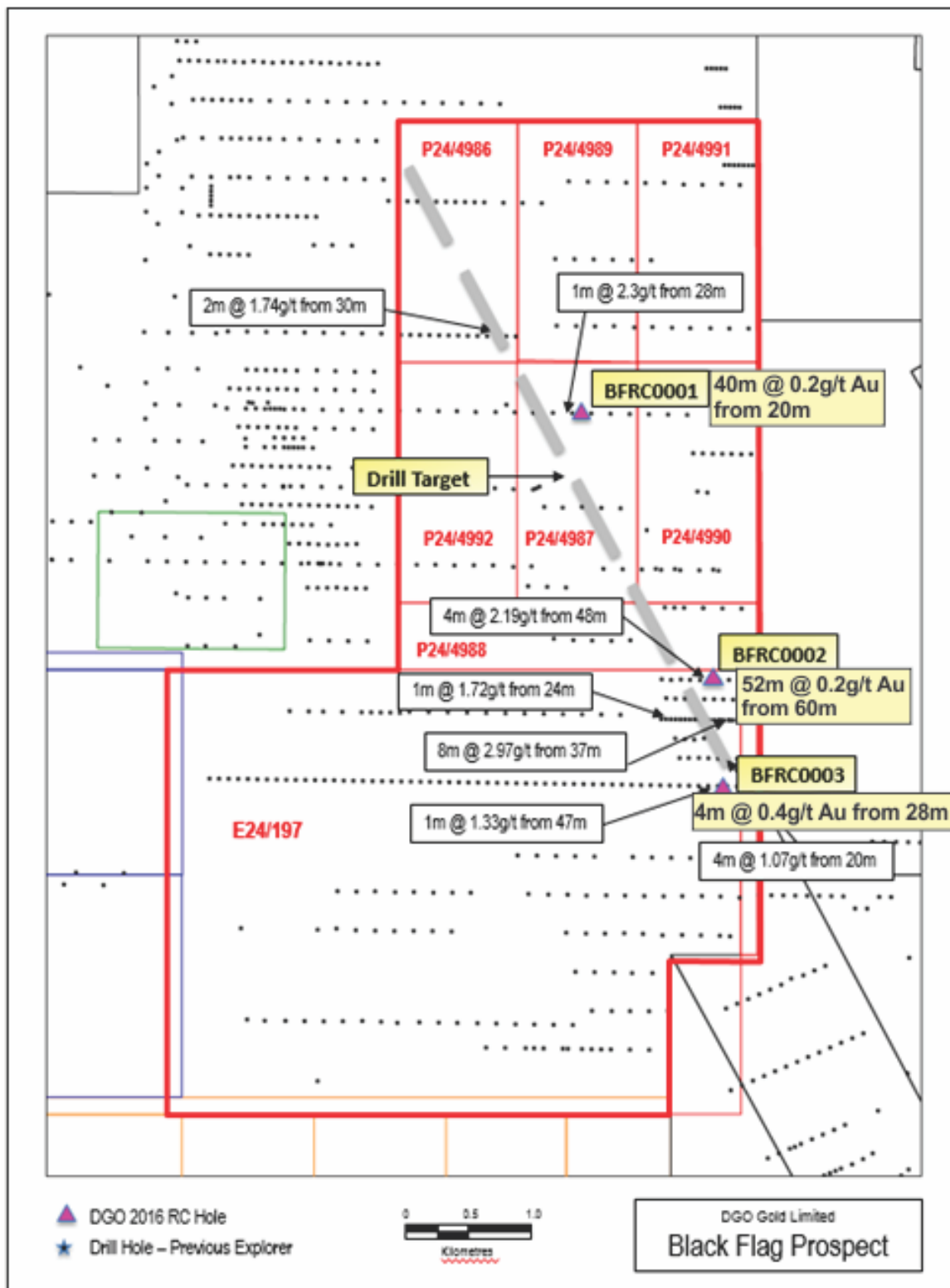


Figure 1: Black Flag, RC Drilling Location

The drilling was completed in an area of surficial cover, lake and near lake sediments overlying rocks of the Black Flag Formation (Figure 2)

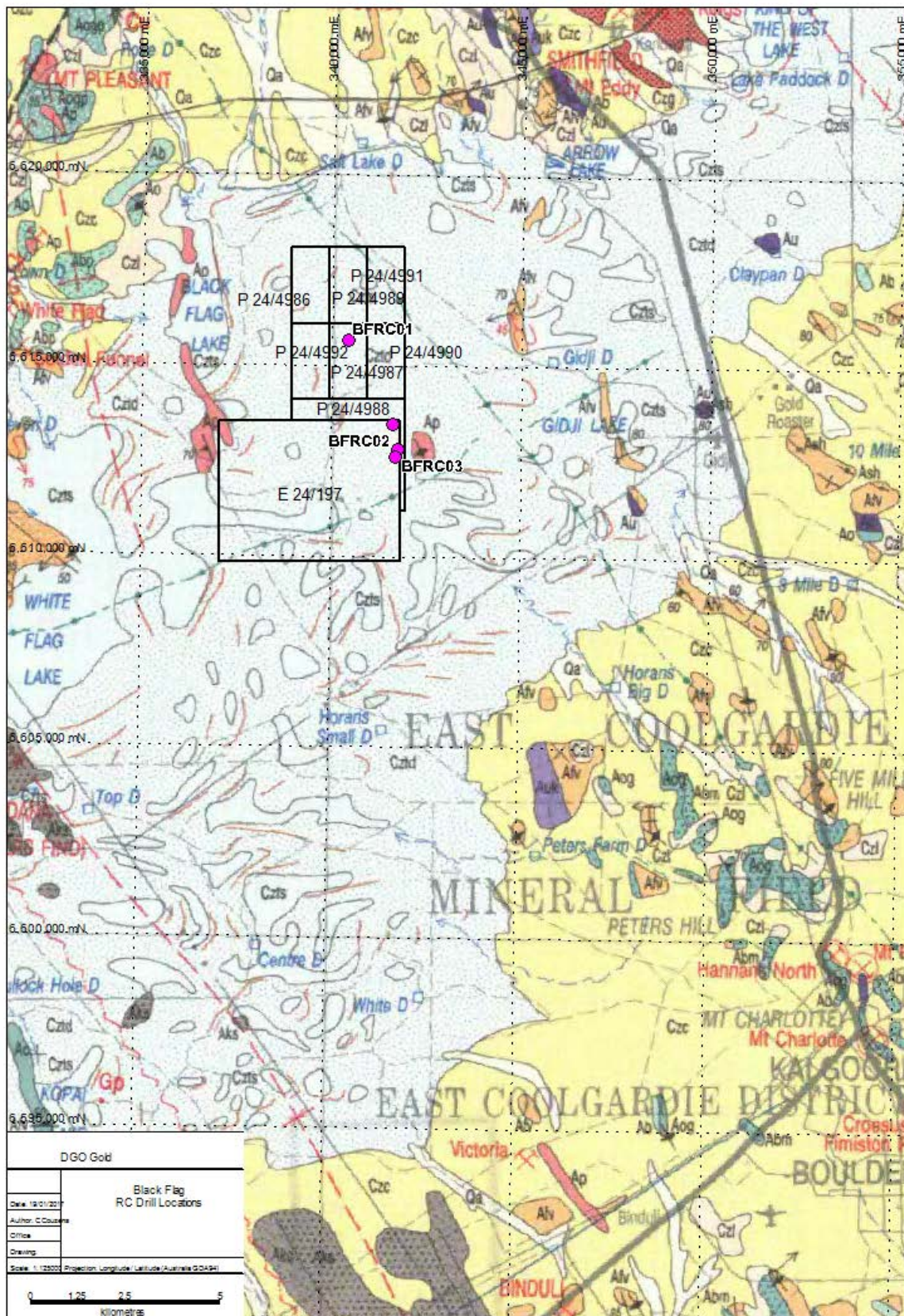


Figure 2- Black Flag Location Map

YERRIDA BASIN - SEDIMENT HOSTED GOLD MINERALISATION

DGO's exploration licence applications in the **Yerrida Basin 100 kilometers north of Meekatharra**, covering an area of 1,550km², were granted during the quarter. The holdings have been divided into the **Johnson Cairn Target**, consisting of the TasEx joint venture tenement and three wholly owned exploration licences, and the **Maraloou Target**, consisting of five wholly owned exploration licences (see Figure 3). This area is prospective for sediment hosted gold and base metal (Cu, Co, Zn, Ni) mineralization (Juderina, Johnson Cairn and Maraloou Formations) based on the long term research by Codes at the University of Tasmania

The stratigraphic and lithological similarity of the Maraloou Formation and the host sequence of the high grade copper mineralisation at the Monty and DeGrussa deposits, as described by Sandfire Resources Limited, identifies the base of the Maraloou Formation as a high priority target. Past exploration activity has identified base metal occurrences, including Cu, Pb, Zn, Co, Ni, plus precious metal occurrences within the Maraloou Formation. The Magellan Lead deposit is located about 50km east of DGO's southern exploration licence applications. Lead mineralization occurrences at Magellan are located proximal to the basal contact of the Maraloou with the Juderina Formations.

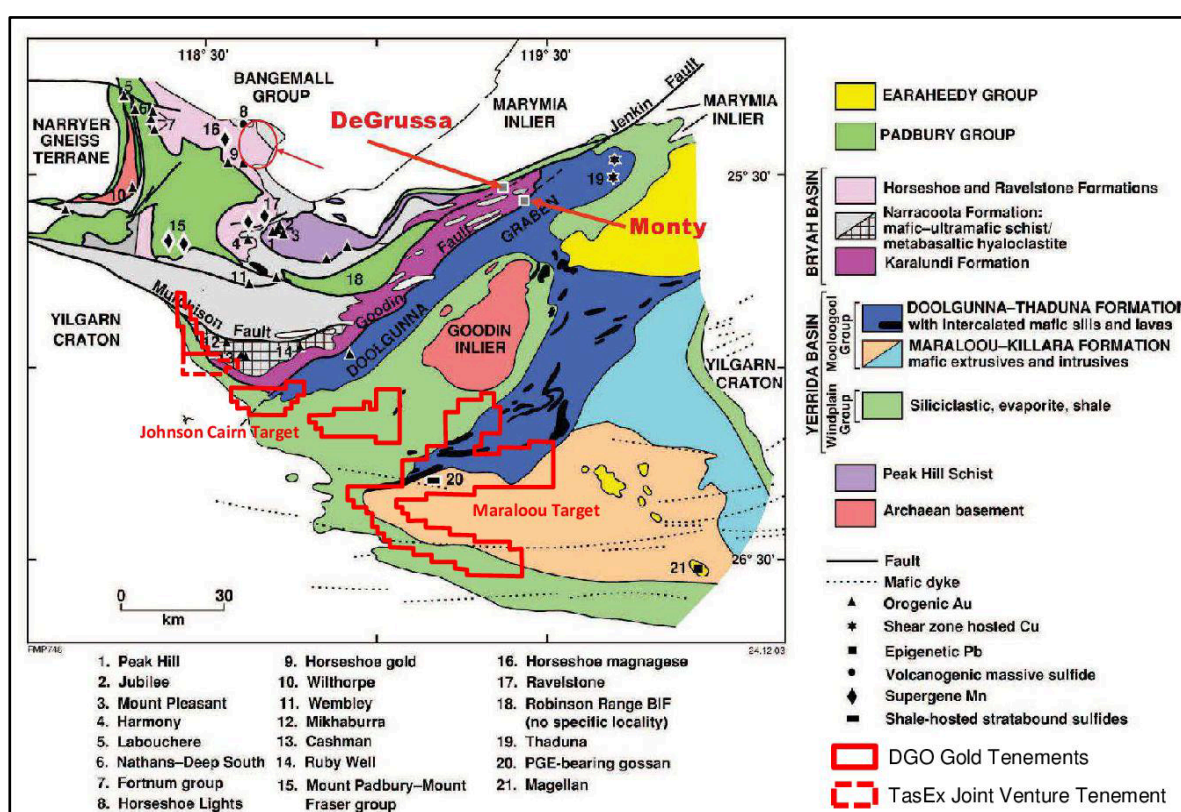


Figure 3: Yerrida / Bryah Basin Geology with DGO's Holdings

Geophysical Targeting

Mr Barry Bourne of Terra Resources was commissioned to complete a comprehensive review of all available geophysical data across the Johnson Cairn and Maraloou Targets of the Yerrida Basin. This review identified a number of geophysical targets (see Figures 4 and 5), including:

- Sediment hosted gold targets associated with north east trending structures and anomalous gold values / nuggets within Johnson Cairn and Juderina Formations (yellow polygons on Figure 4),
- VHMS target associated with Narracoota Volcanics on an interpreted VHMS horizon along strike from RNI NL's Orient – T10 target (green polygon on Figure 4), and
- VHMS targets associated with mafic lithologies towards the base of the Maraloou Formation coincident with moderate copper anomalism from limited past surface sampling (orange polygons on Figure 5).

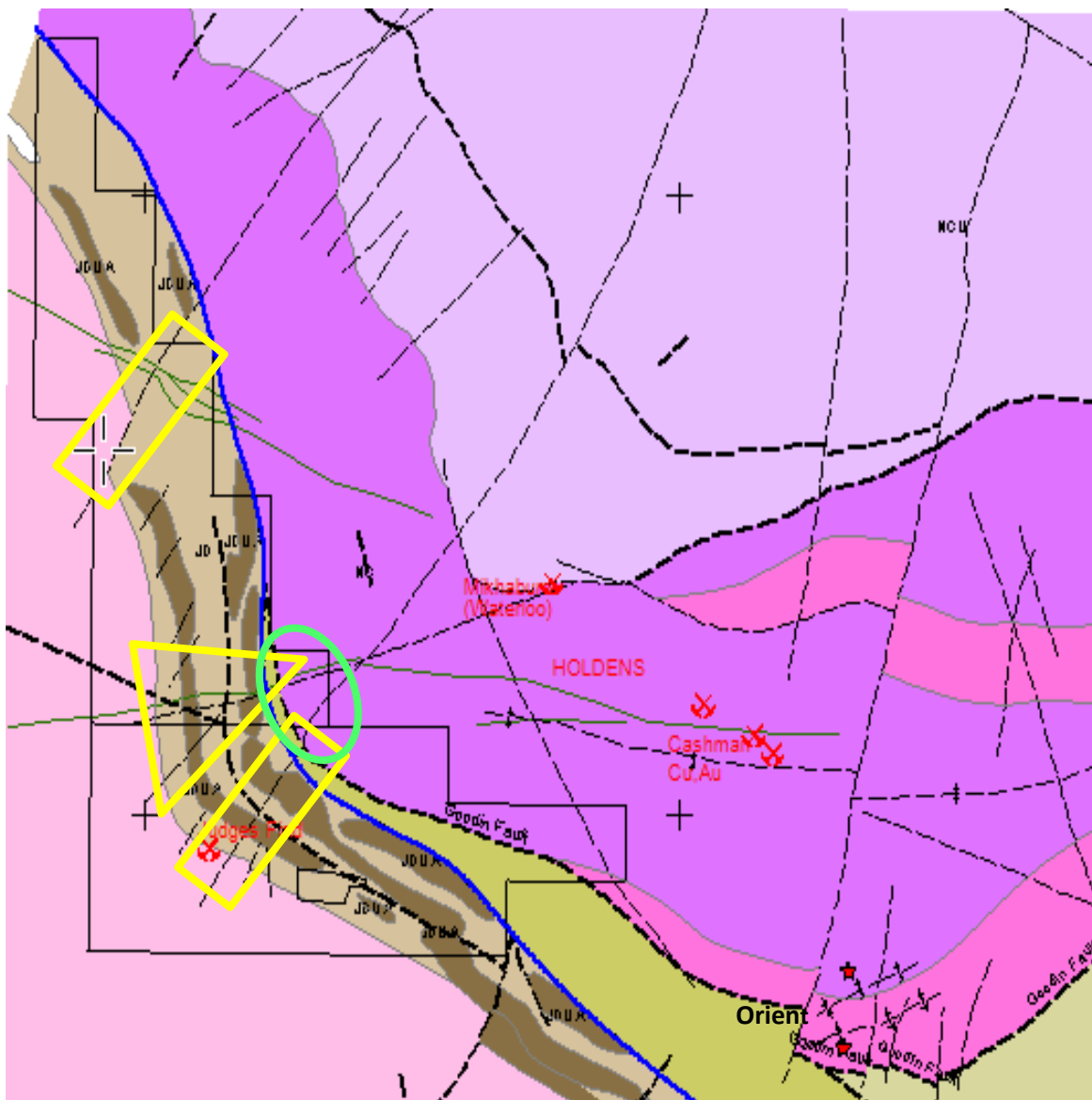


Figure 4: Johnson Cairn Target with Identified Target Zones

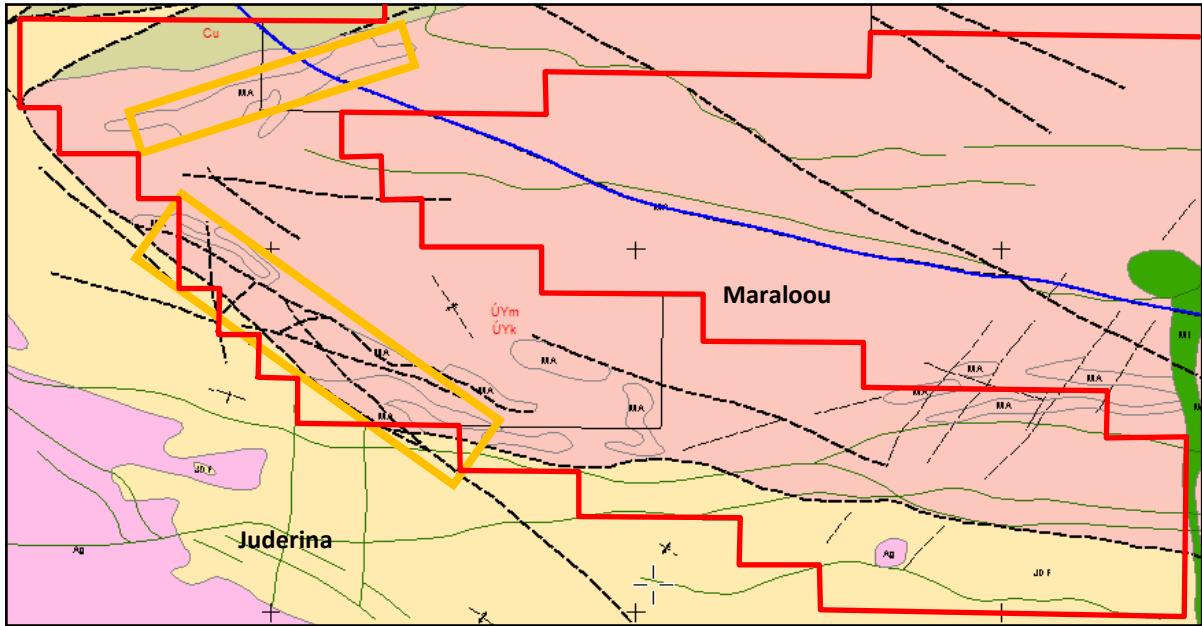


Figure 5: Maraloou Target with Identified Target Zones

Prospect scale interpretation of the available geological and geophysical data for each of the identified target zones is expected to generate and / or fine tune drill targets for each of the target zones.

Evidence of cobalt mineralisation within the Maraloou Formation has been identified by DGO's open file data review of the Maraloou Target based on surface sampling by previous explorers within the Maraloou Formation adjacent to the lower contact with the Juderina Formation. This historical exploration has identified an interpreted cobalt prospective horizon which passes through the south east and north east portions of DGO's Maraloou Target holdings (see Figure 6). The next geophysical review will also focus on the cobalt prospectivity within the Maraloou Formation, particularly the potential for broad parallels with the DRC – Zambian Copper Belt style of mineralisation.

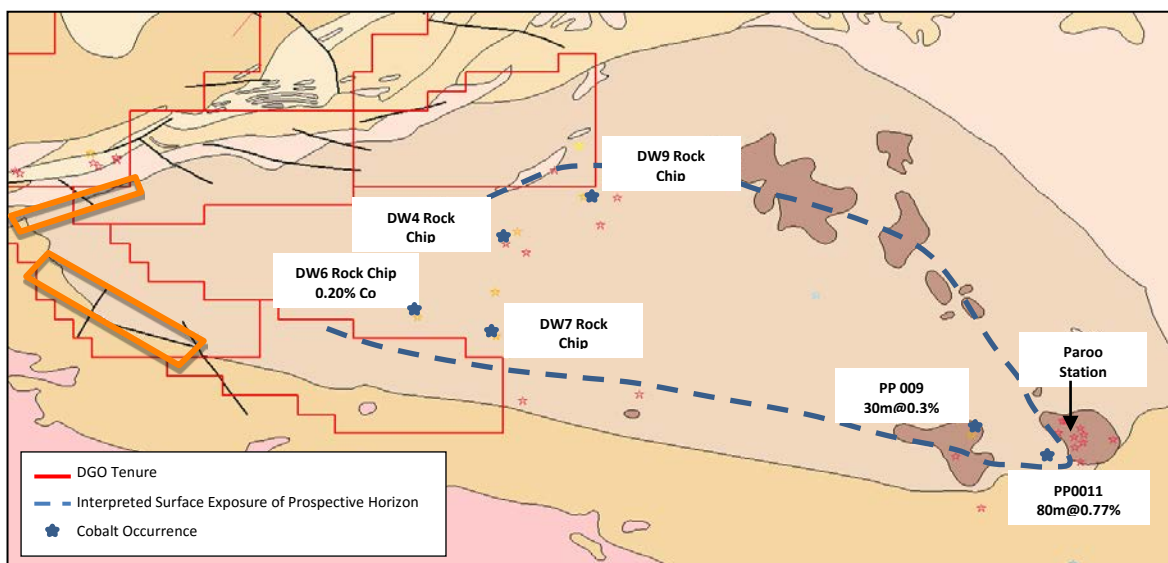


Figure 6: Yerrida Basin Maraloou Formation with Interpreted Cobalt Prospective Horizon

Johnson Cairn Target Sediment Hosted Gold Drilling

A RAB drilling program with follow up RC has been designed to test the highly prospective basal contact of the Johnson Cairn with Juderina Formation within the TasEx joint venture. This contact zone is located beneath shallow surficial cover and adjacent to ubiquitous gold nugget occurrences associated with outcropping Juderina Formation and is broadly coincident with the targets derived from the recent geophysical data review.

The coincident geological and geophysical targets will provide the basis of a submission for the next round of the Western Australia Co-funded Government Industry Drilling Program in March 2017.

SOUTH AUSTRALIAN SUKHOI LOG ANALOGUE CODES TARGETS

The Company's tenements in South Australia have focused on sediment hosted gold deposit mineralisation targets identified by CODES consisting of anticlinal structures within geological sequences, which are age analogues of the giant Sukhoi Log deposit in eastern Russia. During the quarter EL5876 and EL5877 at Dawson were granted. DGO is progressing plans to commence initial field programs across its South Australian tenements.

STRATEGY

DGO is progressing its exploration strategy of using the peak ages of gold deposition and sediment hosted gold deposit (SHGD) analogues of world class gold deposits to target Australian sedimentary basins. This strategy is supported by the research conducted over the past decade at CODES at the University of Tasmania, which has focused on identifying districts in which SHGD's could occur in rocks in Australia that are of comparable geologic age to those of SHGD elsewhere in the world.

Some of the World's largest gold deposits, such as Witwatersrand in South Africa, The Carlin Trend deposits in Nevada, USA and Sukhoi Log in Eastern Russia are sediment hosted. DGO believes that Australian gold exploration has not been previously focused on sediment hosted gold mineralisation and or deposits.

DGO now holds tenure covering a total of 3,225km² (under application, joint venture or granted) across Western Australia and South Australia covering some of the high priority targets identified by the CODES research. See Table 2 for a full listing of tenements.

	Tenements - Granted	Tenements - Applications	Area (km2)
Western Australia			
Mt Edwards		E15/1465, 1488, 1514	81
Ora Banda	P24/4946 - 4956		22
Black Flag	P24/4986 - 4992, E24/197		32
Mallina	E47/3327 - 3329		245
Yerrida Basin	E51/1590, 1729, 1730, 1748 - 1753		1547
Randalls Lake JV		E15/1573	53
<i>Sub-Total</i>			<i>1980</i>
South Australia			
Mt Barker	EL5770, EL5812	E2016/00017	328
Dawson	EL5737, EL5876, EL5877		772
Yerelina	EL5813		145
<i>Sub-Total</i>			<i>1245</i>
TOTAL			3225

Table 2: DGO Tenement Holdings as at 31 December 2016

CORPORATE

During the quarter DGO received an income tax refund of \$243,385 relating to 2016 research and development activities.

On 16 November 2016 DGO held its Annual General Meeting and all resolutions were approved by a show of hands.

At the date of this report there are 5,797,268 fully paid ordinary shares on issue.



Eduard Eshuys
EXECUTIVE CHAIRMAN

Competent person statement

Exploration or technical information in this release has been prepared by **Mr. Ian Prentice BSc**, who is a consultant to DGO Gold Limited and a Member of the Australian Institute of Mining and Metallurgy. Mr. Prentice has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr. Prentice consents to the report being issued in the form and context in which it appears.

APPENDIX 1- Drill Hole details

Hole ID	Grid ID	Northing	Easting	Dip	Azimuth	Elevation (m)	Depth (m)	Tenement
BFRC0001	GDA94-51	6615680	340430	-60	270	346	138	P24/4987
BFRC0002	GDA94-51	6613480	341600	-60	270	348	150	E24/197
BFRC0003	GDA94-51	6612600	341680	-60	270	343	150	E24/197
Total							438	

Table 3: Black Flag, December 2016 RC Drilling Details

JORC Code, 2012 Edition – Table 1 report – DGO Gold

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <i>Nature and quality of sampling (e.g. 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 (e.g. ‘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 (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> Table relates to recent targets identified in reverse circulation (RC) drilling from the Black Flag prospect- see Appendix 1 for collar information. RC drilling produced 2 x 1m samples for each interval drilled, which were air dried before scoop samples were taken to form 4m composites for assay. Samples were dispatched to a certified laboratory for analysis where they were weighted, crushed, pulverised and split to produce 200g pulp samples for assay by 50g Fire Assay with AAS finish. Field Duplicates of 4m composites were also collected.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. 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"> All drill holes were drilled using Reverse Circulation from surface to a depth of 150m.
<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"> All holes was geologically logged and recorded within the DGO Gold system Recoveries for each metre samples were within acceptable limits for RC drilling Samples were collected from every 1m interval.

Criteria	JORC Code explanation	Commentary
Logging	<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 of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> • All information was collected by DGO personnel and is imported and consolidated into a database for interpretation, analysis and verification purposed. • The geological logging is compiled with appropriate attention to detail. • Industry standard practice is apparent in the level of detail of the logging
Sub-sampling techniques and sample preparation	<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"> • The 1m interval RC samples were laid out and air dried prior to compositing. • For each metre interval 2 samples were collected, 1 was using for compositing to make up the 4m composite and then other sample was retained should individual 1 metre intervals need to be assayed. • The composite samples were collecting using a scoop & spear.
Quality of assay data and laboratory tests	<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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • 50g charge fire assays are quite appropriate for this type of deposit. • The lab duplicated samples at regular intervals and there was an excellent correlation between the two datasets. • Field duplicates were collected at a rate of about 1 in 10, and certified standards and blanks were also inserted at regular intervals. There was an excellent correlation between the primary and duplicate sample data. • .

Criteria	JORC Code explanation	Commentary
<i>Verification of sampling and assaying</i>	<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> <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> 	<ul style="list-style-type: none"> All assay results were verified and validated by the company's Senior Geologist.
<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"> All collars were surveyed using a handheld GPS All holes and topography were recorded with reference to GDA84 Zone 51
<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"> Single metre samples were used to form 4m composites for assay. No further compositing has been applied to these results. The reported intervals are weighted average grades over the summed thickness, this is normal industry practice.
<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"> No known sampling bias has been introduced due to the orientation of the drill hole.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Samples were delivered in suitably sealed bags to the laboratory in Kalgoorlie by site field staff. No sample preparation was done by any DGO Gold staff or their representatives.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Internal review of sampling techniques as well as data handling and validation is regularly conducted by DGO Gold as part of due diligence and continuous improvement and review of procedures.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>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.</i> <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"> All exploration activity carried out by DGO has been done on granted Prospecting and Exploration Licences.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Several other parties have done exploration at the property in the past, notably Paddington Gold Mines, Barrick Gold, Goldfields/Aurion Gold and Placer Dome. Exploration included wide spaced aircore drilling with holes to average depths of 55m. This drilling intersected a number of anomalous intersections in saprolite above Black Flag Bed sediments.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Black Flag Prospect held by DGO Gold Ltd is hosted within a combination of low-grade (greenschist facies) metamorphosed rocks as follow <ul style="list-style-type: none"> a) Dacite and rhyo-dacite tuff-breccia and tuff. b) Felsic volcanoclastic rocks, mainly tuff and lapilli tuff with interbedded (tuffaceous) sedimentary rocks c) Intrusive dacite and rhyo-dacite porphyry. The units above form part of the Black Flag formation as defined by Hunter (1993).

Criteria	JORC Code explanation	Commentary
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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. 	<ul style="list-style-type: none"> • This release relates to 3 RC drill holes. See Appendix 1 of the December 2016 quarterly activities report for collar details.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • All intervals reported are length weighted in the downhole direction. This ensures that smaller intervals receive less weighting. • No high grade cut-offs have been applied to the significant intercepts.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • Mineralisation previously intersected at Black Flag occurs as anomalous zones within the saprolite zone. • There is insufficient data available from the primary zone to determine the geometry of the mineralisation, with all reported mineralised zones being down hole length.
<i>Diagrams</i>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • See body of Text for maps

Criteria	JORC Code explanation	Commentary
<i>Balanced reporting</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> A table summarising the significant intercepts of the most recent drilling can be found in the document to which this is appended
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> 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, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Not applicable
<i>Further work</i>	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> The drill data is being reviewed to determine the nature and scale of planned further work.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

DGO Gold Limited

ABN

96 124 562 849

Quarter ended ("current quarter")

December 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (6 months) \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(81)	(172)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(117)	(217)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	0	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes refunded	-	-
1.7	Other (research and development tax offset)	243	503
	Net Operating Cash Flows	45	118
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments (i)	-	-
	(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 (sale of Mt Coolon Gold Mines Pty Ltd)	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	45	118

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	45	118
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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 (share issue costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	45	118
1.20	Cash at beginning of quarter/year to date	439	366
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	484	484

Payments to directors of the entity and associates of the directors

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

		Current quarter \$A'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	66
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 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

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1	Loan facilities	-

+ See chapter 19 for defined terms.

3.2	Credit standby arrangements	-	-
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Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation	181
4.2 Development	-
4.3 Production	-
4.4 Administration	86
Total	267

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'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	484	439
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	484	439

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil		
6.2	Interests in mining tenements acquired or increased	E24/3327 E51/1729 E51/1730 E51/1748 E51/1749 E51/1750 E51.1751 E51/1752 E51/1753 EL 5876 EL 5877	Nil Nil Nil Nil Nil Nil Nil Nil Nil Nil Nil	100% 100% 100% 100% 100% 100% 100% 100% 100% 100% 100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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.

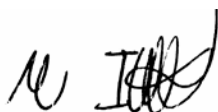
		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	-	-	-	-
7.2	Changes during quarter	-	-	-	-
	(a) Increases through issues	-	-	-	-
	(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	+Ordinary securities	5,797,268	5,797,268	N/A	N/A
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>	-	-	<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 <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)	-	-	-	-
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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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 30/01/2017
(Company Secretary)
Print name: Michael J Ilett

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 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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