A highly active, well funded exploration company advancing a suite of greenfield discoveries in the Paterson Province of Western Australia

ASX Code

ENR

Market Cap (30/10/15)

A$21m ($0.135/share)

Issued Capital (30/10/15)

155.6 million ordinary shares
12.4 million options

Cash (30/9/15)

~A$3.3M

Board of Directors & Management

Mr. Paul Chapman
Non-Executive Chairman

Mr. Will Robinson
Managing Director

Mr. Peter Bewick
Exploration Director

Dr. Jon Hronsky
Non-Executive Director

Mr. Kevin Hart / Mr. Dan Travers
Joint Company Secretary

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HIGHLIGHTS

YENEENA PROJECT - Paterson Province, WA

The Yeneena Project ("Yeneena") consists of a major ground position between the Nifty copper mine, the Telfer gold-copper mine and the Kintyre uranium deposit where Encounter has made a series of greenfield base metal discoveries that demonstrate the potential of the area for large tonnage, high quality deposits.

Millennium Zinc (Hampton earning up to 25%)

- A total of 6 RC drill holes were completed at Millennium in Sep/Oct 2015. Assays results from the first two drill holes have been received
- EPT2260 contained a broad interval of weathered zinc mineralisation that has substantially extended the gossan zone at Millennium including **70m @ 2.3% Zn from 182m to end of hole**
- EPT2260 is the most strongly mineralised gossan intersection to date, the top of the interval is within 160 metres of surface and the hole may have terminated close to the sulphide interface
- Further diamond drilling is planned to be completed down dip of EPT2260 in Nov 2015

BM1-BM7 Copper Project (100% ENR)

- Five RC drill holes were completed at BM1-BM7 in Oct 2015. Assay results expected in Nov/Dec 2015.
- A diamond drill hole will be completed in Nov 2015 to test 200m down dip to the east of EPT2158 that intersected 140m @ 0.2% Cu, including 1.3m @ 3.2% Cu from 250.4m.

Lookout Rocks Copper Project (Antofagasta earning in)

- The initial reconnaissance aircore/RC program identified copper anomalism at three separate prospect areas warranting follow up. The first phase of follow up drilling commenced in Oct 2015.
- A detailed ground gravity survey completed at the Aria IOCG prospect outlined a discrete density anomaly located on the margin of the previously identified magnetic anomaly. Diamond drilling at the Aria prospect has commenced.

CORPORATE

- ~A$3.3 million cash balance as at 30 Sep 2015.
- During the Sep 2015 quarter the Company completed a private placement to professional and sophisticated investors, including a fund managed by the Sprott Group of Companies, to raise approximately A$1.5 million before costs.
- Subsequent to the end of the quarter, the Company raised an additional amount of approximately A$1.4 million through a Share Purchase Plan and a private placement to private equity fund Resource Capital Funds ("RCF").

EXPLORATION

PATERSON PROVINCE

YENEENA COPPER / ZINC PROJECT

- **100% Encounter - E45/2500, E45/2502, E45/2503, E45/2657, E45/2658, E45/2805, E45/2806, E45/3768, E45/4091, E45/4230 and E45/4408**
- **90% Encounter / 10% HHM - E45/2501, E45/2561 and the four eastern sub-blocks of E45/2500 with HHM earning up to 25%**
- **Antofagasta earning into E45/3768, E45/4091, E45/4230 and E45/4408**

Yeneena covers a 1,850km^2 tenement package in the Paterson Province of WA located between the Nifty copper mine, the Woodie Woodie manganese mine, the Telfer gold-copper mine and the Kintyre uranium deposit (Figure 1).

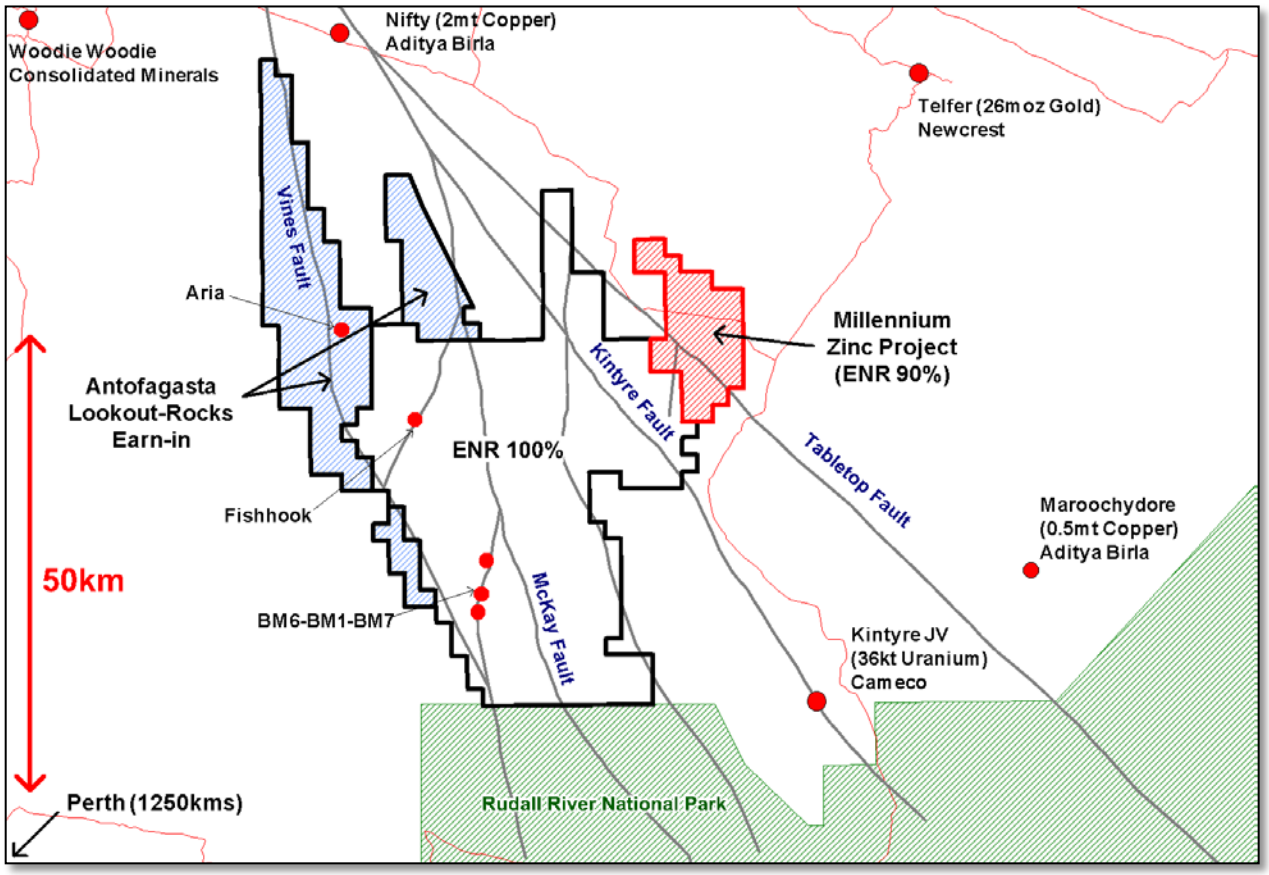

Figure 1: Yeneena project leasing, Prospects and Earn-In areas with major regional faults

BM1 – BM6 – BM7 – BM7 East Copper Prospects

Background

In April 2013, Encounter completed its first earn-in agreement with a wholly owned subsidiary of Antofagasta plc, covering two JV tenements (E45/2658 and E45/2805) that contain a number of advanced copper prospects including BM1, BM6, BM7 and BM7 East. In July 2015 Antofagasta notified Encounter of their withdrawal from this earn-in and refocused their exploration investment at Yeneena to the Lookout Rocks Prospect. Since the commencement of the first earn-in, Antofagasta have sole funded over A$7.5M of exploration expenditure on the two tenements. Encounter has regained a 100% unencumbered interest in the advanced BM1 & BM7 copper targets located within a defined 14km long mineralised system.

Encounter completed five RC drill holes at the BM7 East, BM6 and BM1 prospects in October 2015.

BM7 Prospect

Since the commencement of the Antofagasta funded program in April 2013 to the beginning of 2015, a total 11 diamond drill holes have been completed at BM7. These holes provide a broad spaced, 3D dataset covering an area that extends over 3km of strike.

A review late in 2014 of the Nifty copper sulphide deposit, located 65km to the north, identified siderite (Fe carbonate) and apatite (phosphorous mineral) in association with trace copper sulphide mineralisation as the diagnostic halo that extends laterally from the Nifty sulphide deposit (see Figure 2). This provides a template of key mineralisation vectors to high grade copper mineralisation in the Paterson Province. An evaluation of the drill data from the Yeneena copper prospects highlighted that a number of the key features of the Nifty alteration signature are evident within the BM1 – BM7 area.

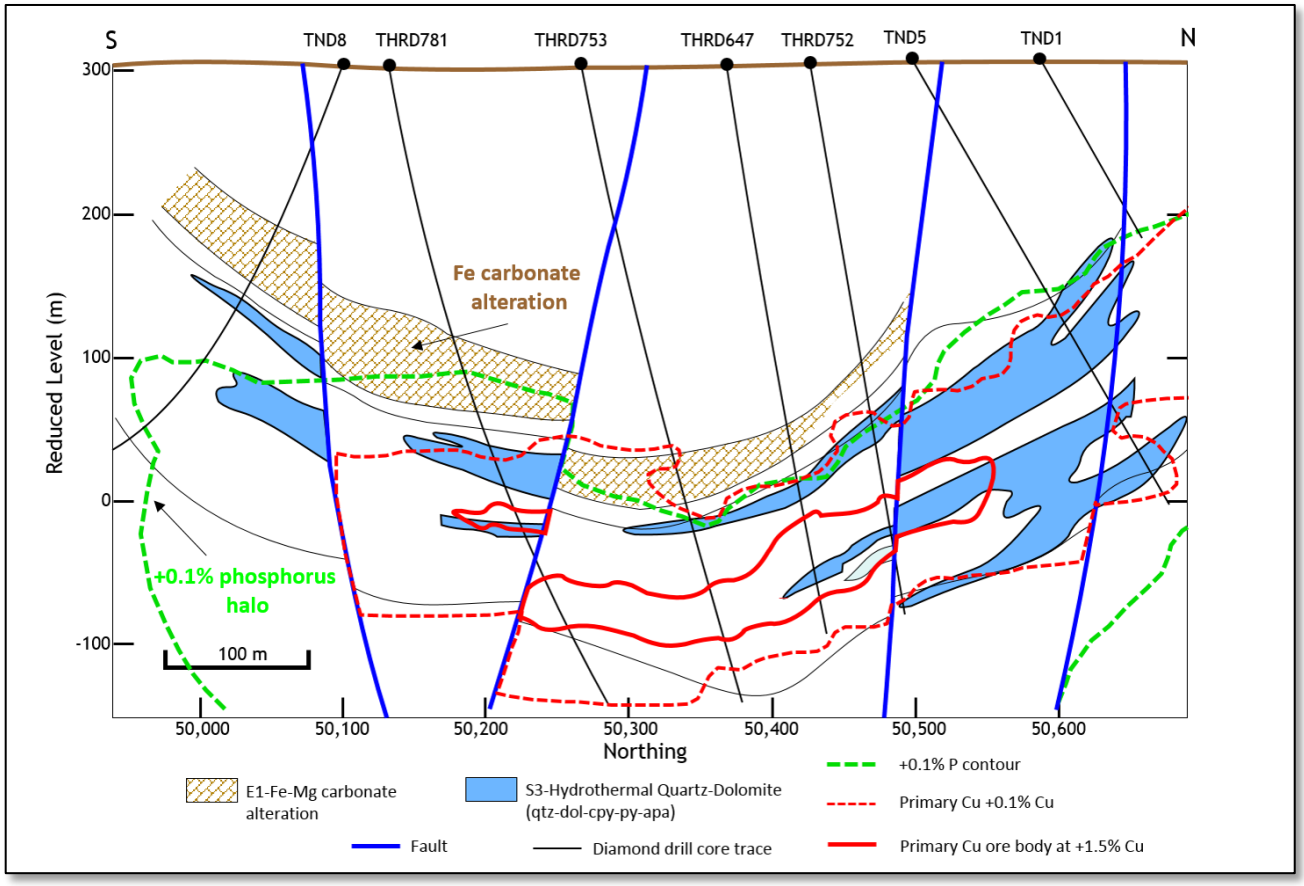

Figure 2: Cross section through Nifty copper deposit after Anderson (1999)

A single diamond drill hole is proposed to test 200m down dip to the east of EPT2158 that was drilled at the end of the 2014 campaign and intersected 140m @ 0.2% Cu, including 1.3m @ 3.2% Cu from 250.4m. Encounter believes the intersection in EPT2158 forms part of a proximal halo to a potentially large scale copper sulphide system (refer to ASX announcement 31 October 2014). The area to the east

of EPT2158 contains a number of interpreted NW trending structures that may represent possible steep feeders to the BM7 copper mineralisation (see Figure 4).

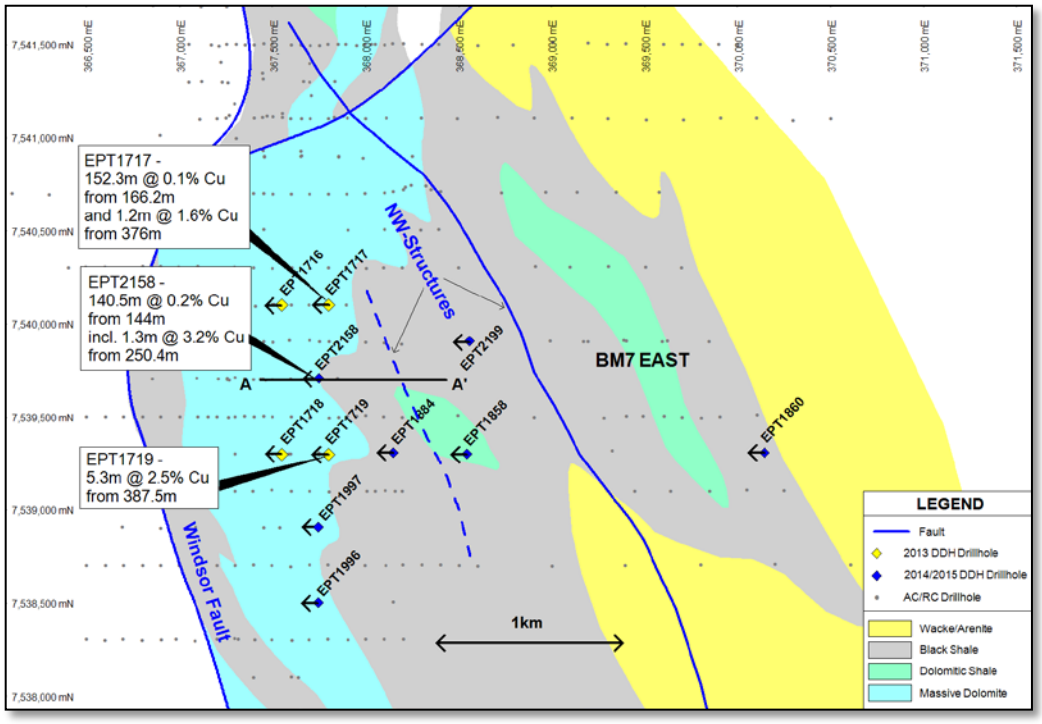

Figure 3: BM7 Diamond drilling status plan over interpreted geology

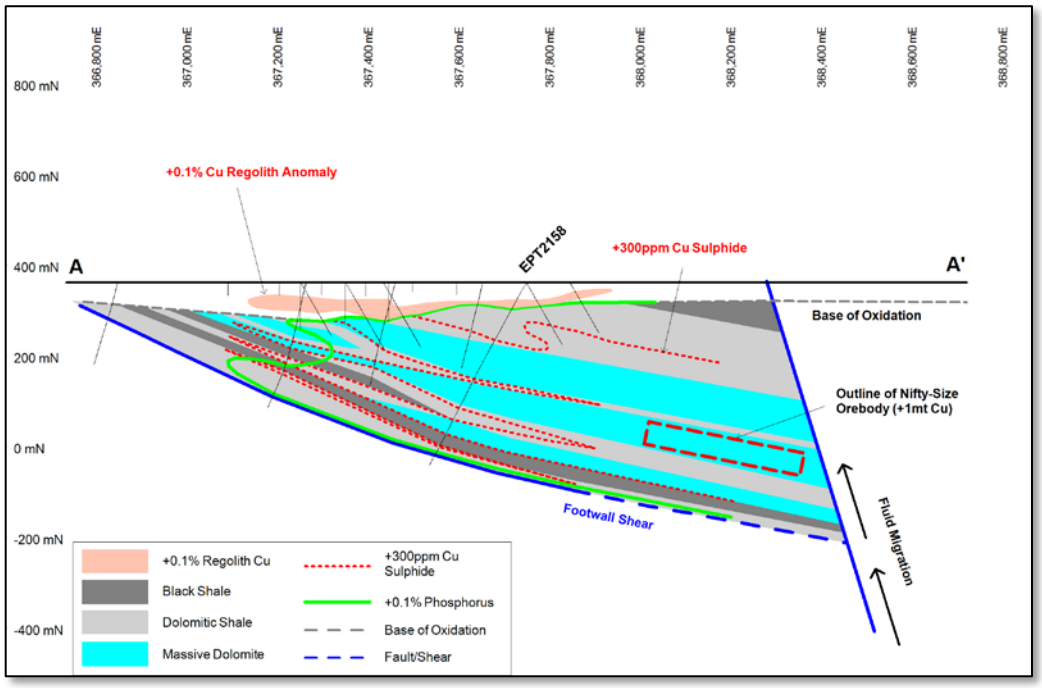

Figure 4: Interpreted cross section 7539700mN through BM7 with conceptual drill target

BM7 East Prospect

The BM7 East Prospect was identified in 2013 during wide-spaced aircore drilling with a short RC drill program completed in September 2014.

Fe-Mg carbonate (siderite) and phosphorus alteration haloes (apatite), which have been shown to be proximal alteration signatures to the Nifty hypogene high grade mineralisation, are found in high

concentrations at BM7 East. The alteration halos underlie the core of a laterally extensive copper oxide blanket found at BM7 East that extends over 2km in strike (see Figure 5).

Drilling at depth at BM7 East will identify the extent of the alteration halos and potentially provide vectors to high grade hypogene copper mineralisation. The alteration and mineralisation intersected in the shallow drilling completed at BM7 East is similar to what is seen in the immediate hangingwall of the Nifty copper deposit.

Two, 200m spaced, vertical RC holes (EPT2269 and EPT2270) were completed in October 2015 across the middle of the regolith anomaly (see Figure 5). High water inflows resulted in the holes being pulled up short of their planned depth. The eastern of the two holes, EPT2270, returned anomalous copper values on the Niton XRF across a broad interval and below the base of oxidation. Samples from these two holes are currently being assayed and it is proposed that EPT2270 will be extended with a diamond tail.

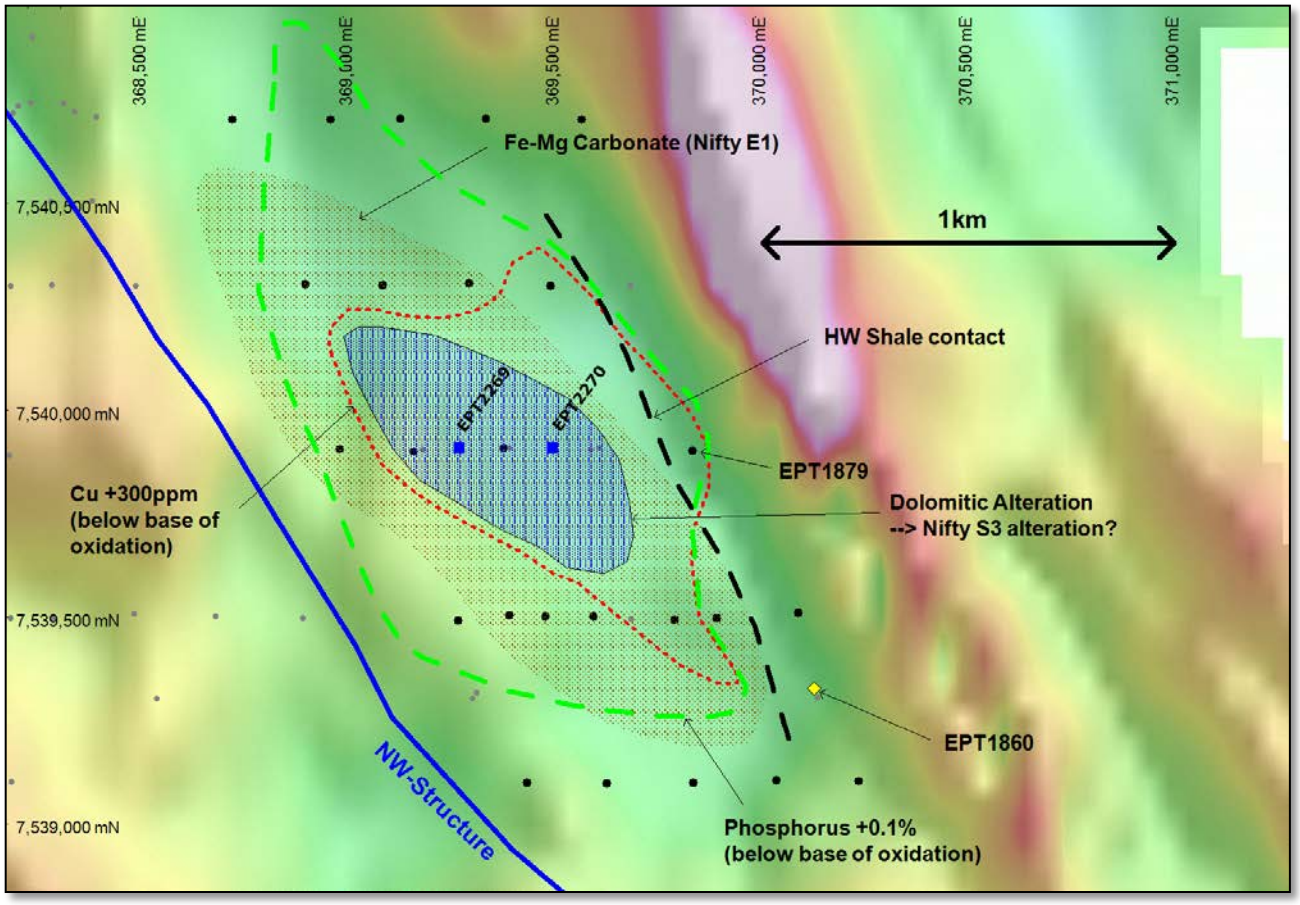

Figure 5: Plan view of alteration and mineralisation through BM7 East – background image Ch40 VTEM

BM6 Prospect

BM6, located 3km NNE of BM1 Northern Area, was discovered during reconnaissance aircore drilling in 2011 which delineated an 800m long, 400m wide +0.1% copper regolith anomaly, adjacent to the Windsor fault (with grades up to 1.4% Cu). The regolith anomaly coincides with a VTEM conductor, which has been modelled to dip shallowly to the west (towards the Windsor Fault). Common pathfinder elements to sediment hosted copper mineralisation are elevated at BM6, with Bi assays up to 74 ppm and Mo assays up to 17 ppm (similar to levels seen at BM1 and BM7).

A two hole RC drill program drilled in 2013 defined a shallowing of the base of oxidation above a block of conductive shale (see Figure 6). It is interpreted that this block of shale is more resistant to weathering as a result of localised silica alteration of the shale. The RC holes also intersected elevated copper

anomalism, phosphorous anomalism and siderite alteration below the base of oxidation, which is similar to the geochemical signature of the hangingwall shale at Nifty and considered significant.

A single RC hole, EPT 2265, was collared to the east of EPT1691 and targeted to test below the strong alteration anomaly at the bottom of that hole. Again high water flows resulted in the hole failing to reach the target depth however the hole did end in a strongly altered calcareous sediment similar to the Nifty host unit. It is planned to extend this hole to the original target depth with a diamond tail in 2016.

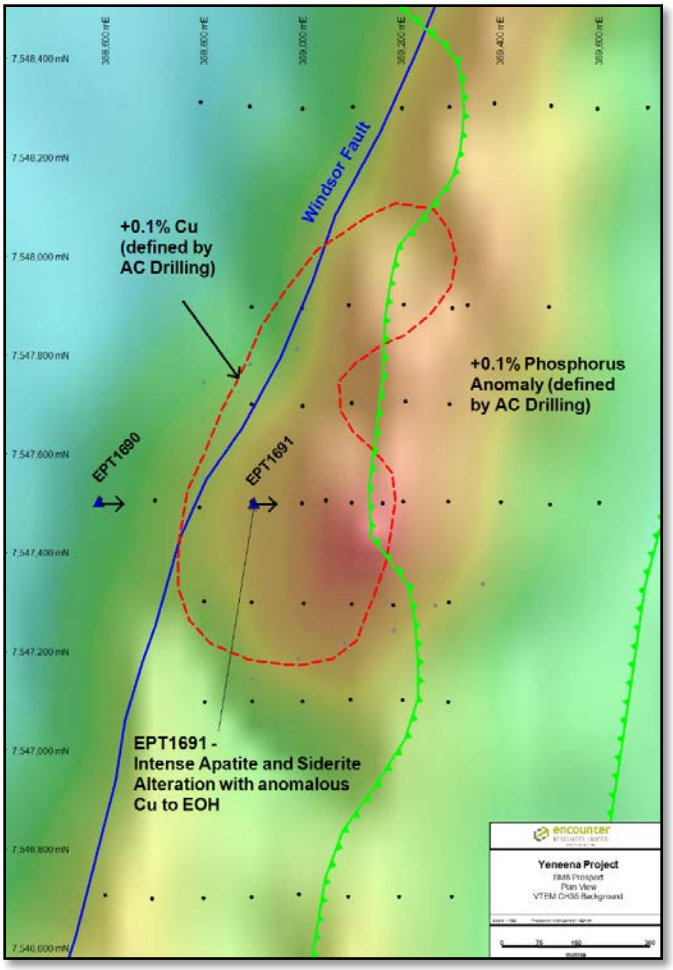

Figure 6: BM6 Prospect drill status plan over Ch35 VTEM image

Millennium Zinc Prospect – Encounter 90%/HHM 10% in E45/2501, E45/2561 and the four eastern sub-blocks of E45/2500. HHM may earn up to 25% interest.

Background

The Millennium Prospect is located in the north-east of the Yeneena project (see Figure 1) and is subject to an Earn In Agreement with Hampton Hill Mining ("HHM") (see ASX announcement 23 April 2015).

The Millennium Prospect lies on the north eastern margin of the Yeneena project at the intersection of the NNW trending Tabletop Fault and the NE orientated Tangadee structural lineament (Figure 1). This intersection of two metallogenically important structural corridors is a first order structural target and the style of structural setting that is associated with large scale metal deposits.

Previous aircore and RC drilling by Encounter has defined a +3km long zinc regolith anomaly that remains open to the south-east. Diamond drilling at Millennium has intersected a thick zinc gossan at the contact between a brecciated carbonate and a thick sequence of carbonaceous shales of the Broadhurst Formation. Assay results from the gossan include, (Refer ASX release 9 July 2015):

38.7m @ 0.9% Zn in EPT2201 from 255.8m and
91.8m @ 1.6% Zn in EPT2203 from 344.4m

Extremely high tenor zinc sulphide mineralisation, in the form of sphalerite, has been intersected below the gossanous unit and returned assays of, (Refer ASX releases 12 January 2015 and 13 December 2013):

0.7m @ 36.7% Zn in EPT1854 from 430m and
7m @ 4.8% Zn in EPT 2198 from 233m.

September 2015 Quarter Activity

A total of 6 RC drill holes were completed at Millennium in September/October 2015. Two of these RC holes were drilled as pre-collars for diamond drilling. The diamond drill tails have also recently been completed. Assays results from the first two drill holes (EPT2260, EPT2261) of the RC program have been received, (Refer ASX release 29 October 2015).

EPT2260 contained a broad interval of weathered zinc mineralisation that has extended the gossan zone at Millennium. This interval returned an assay of 70m @ 2.3% Zn from 182m to end of hole. The gossan unit at Millennium has now been intersected in seven drill holes and is interpreted to be over 2km in strike extent. EPT2260 is the strongest mineralised gossan intersection to date and the top of the gossan is located within 160 metres of surface. The sulphur and silver assays from the gossan zone in EPT2260 increase towards to bottom of the hole indicating that the hole may have terminated close to the sulphide interface.

EPT2261 contained a sulphide intersection of 14m @ 1.8% Zn from 223m. EPT2261 is located 100m north-west of the previous intersection of 7m at 4.8% Zn from 233m in EPT 2198 (see ASX announcement 12 January 2015). EPT2261 has established the continuity of an interpreted zone of coherent zinc sulphide mineralisation located in the south-east of the Millennium prospect that requires further drill testing. A ground gravity survey was also completed in October 2015 in this area to extend gravity coverage to the south-east of the mineralised trend at Millennium.

The two further RC holes in the program (EPT2264 and EPT2258) also intersected zones of mineralised zinc gossan. These gossanous intersections are interpreted to not be as strongly mineralised at EPT2260. These drill holes have been submitted for chemical analysis with results pending.
EPT2257 and EPT2262 were pre-collared with the RC rig and completed with diamond drilling. Initial visual inspection of the core indicates that the carbonate shale contact in these holes is not well mineralised and is heavily brecciated and altered. It is interpreted that these two diamond holes have intersected positions where faulting has offset the mineralised contact. The potential remains to define additional mineralisation down dip and up dip of these post-mineralisation aged faulted positions. These drill holes will now be systematically logged, cut and submitted for chemical analysis.

Next Steps

At the south-east of the Millennium prospect, the recently collected gravity data will be interpreted in conjunction with all chemical assays from the recent drilling to design a systematic drill test of the interpreted extension of the mineralised contact. This program is expected to be completed at the start of the 2016 drill season.

Given the strong, near surface zinc mineralisation intersected in EPT2260 which ended in mineralisation grading 2% zinc and that this intersection is interpreted to be close to the sulphide interface, an additional phase of diamond drilling is planned. RC hole EPT2260 will be extended with a diamond tail and a new diamond drill hole will be completed to target the mineralised position approximately 150m down dip of the 70m @ 2.3% Zn drilled in EPT2260. This diamond drilling will commence in mid-November 2015.

The Millennium RC drilling program was co-funded under the WA Government Exploration Incentive Scheme.

Hole_ID	Northing (m)	Easting (m)	RL (m)	EOH(m)	Dip	Azi
EPT2257	7570983	389549	315	216	-75	180
EPT2258	7570805	389550	315	284	-60	180
EPT2260	7570621	389748	315	252	-60	180
EPT2261	7569948	390845	315	310	-60	180
EPT2262	7570055	390952	315	316	-60	180
EPT2264	7570203	390154	315	166	-60	180

Table 1: Drill hole collar location – Millennium
Estimated drill hole coordinates GDA94 zone 51 datum. Collars positioned via handheld GPS (+/-5m), EOH = End of hole depth; m=metre; azi=azimuth.

Hole ID	Prospect	From (m)	To (m)	Length (m)	Zinc %
EPT2260	Millennium	94	128	34	0.1%
and		182	252*	70	2.30%
EPT2261	Millennium	116	158	42	0.26%
and		215	283	68	0.61%
incl.		223	237	14	1.79%
and		309	310*	1	0.12%

Table 2: RC drilling assay results – Millennium (EPT2260 and EPT2261 only)
*Intervals are calculated at a 0.1% Zn lower cut-off, with internal higher grade intervals calculated at a 1% Zn lower cut-off. * Denotes end of hole interval.*

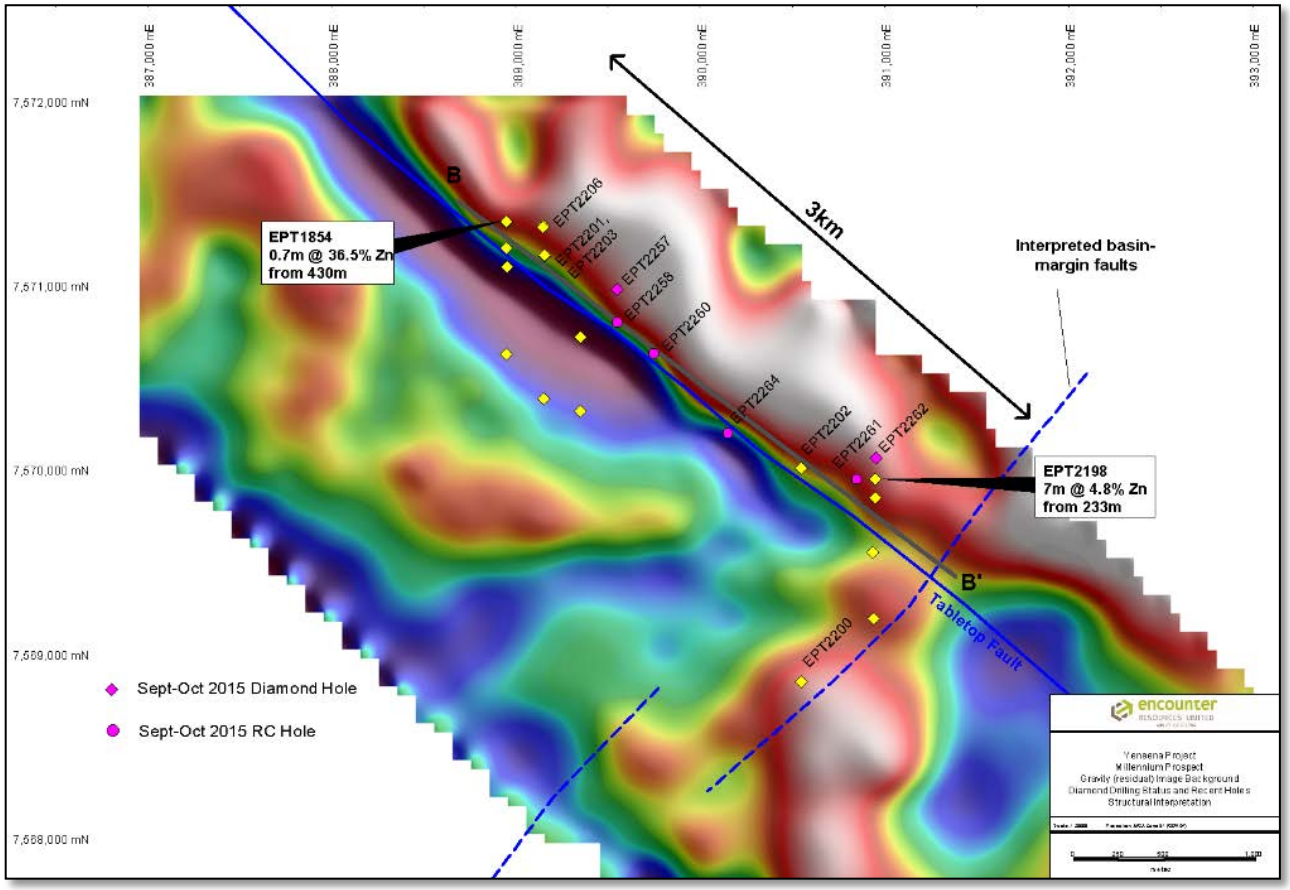

Figure 7: Drill hole collar location – Millennium

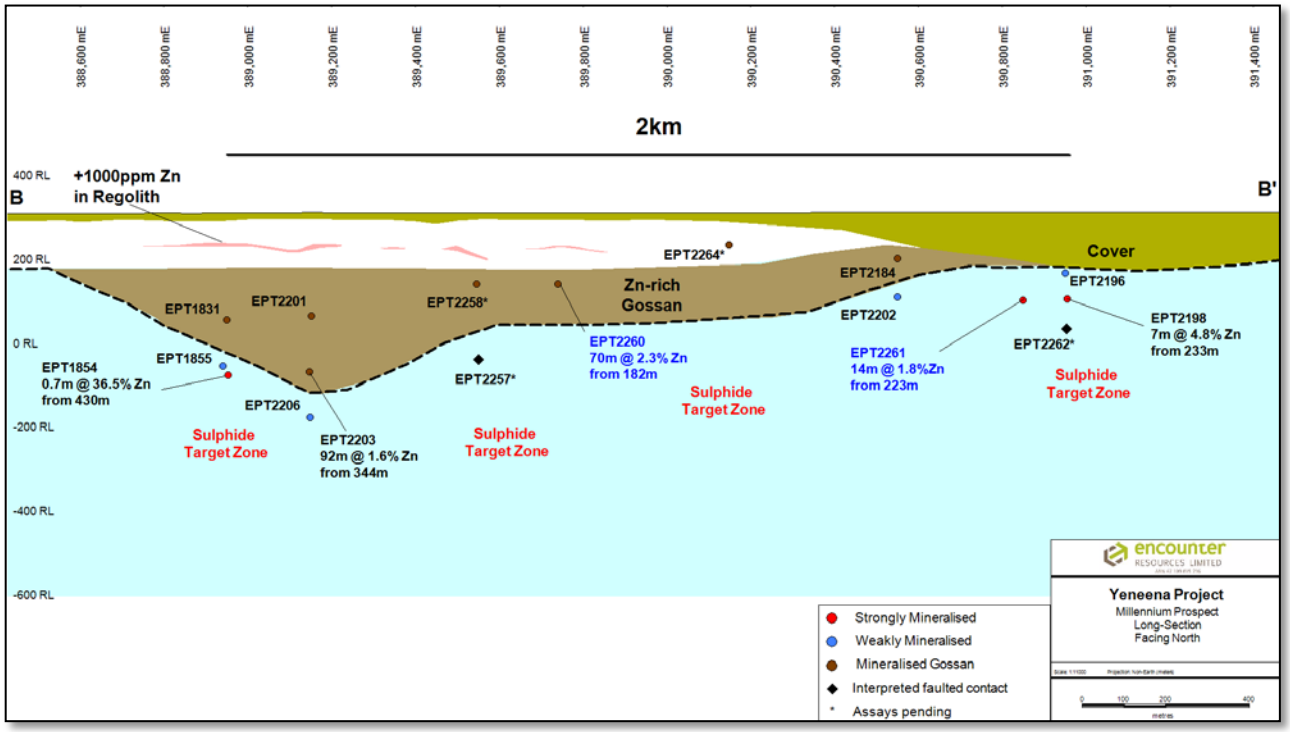

Figure 8: Drill hole long section (B – B') – Millennium showing diamond and recent RC holes only

Lookout Rocks / Throssell Range Project - Encounter 100% in E45/3768, E45/4091, E45/4408 and E45/4230. Antofagasta may earn up to 70%.

Background

During the September 2015 quarter Encounter completed a new earn-in agreement with a wholly owned subsidiary of Antofagasta plc whereby Antofagasta may earn a 70% interest in Lookout Rocks / Throssell tenements within the Yeneena project by incurring expenditures of US$6 million over a four year period. The Lookout Rocks / Throssell Range projects extends north-west of the 100% owned Fishhook prospect and cover over 30 strike kms of interpreted Broadhurst Formation sediments (Figure 9). Interpretation of the detailed airborne electromagnetic data indicates the prospective structures and Broadhurst lithologies extend into the project in an area that has seen very little previous exploration activity (Figure 10).

During the quarter an initial reconnaissance aircore and RC drilling program was completed at Lookout Rocks to test a number of key structural targets. In addition, a ground gravity survey was completed at the Aria IOCG target in preparation for diamond drilling.

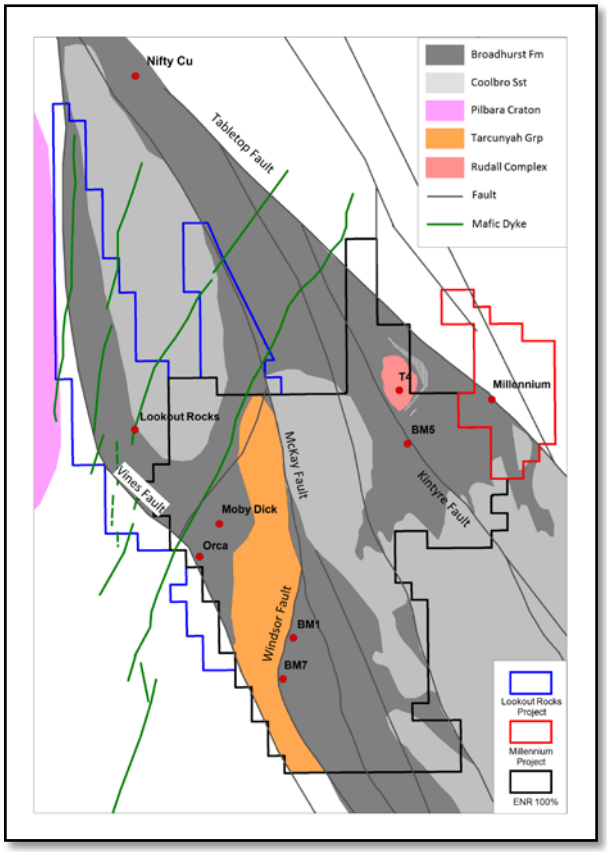

Figure 9: Lookout Rocks / Throssell Range Project – Geological and structural interpretation with leasing

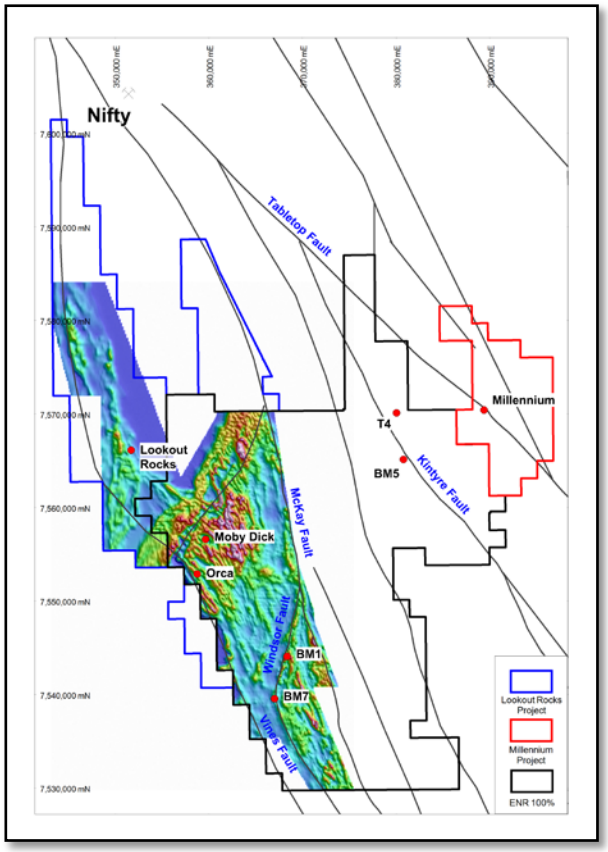

Figure 10: Yeneena project leasing over Ch35 VTEM image

September 2015 Quarter Activity

Lookout Rocks / Throssell

Drilling occurred at five prospect areas within the Lookout Rocks / Throssell project during the quarter. The aims of this initial reconnaissance aircore and RC program was to test cover depth, refine bedrock geological interpretation and test for any copper regolith anomalism within the defined targets. The five prospect areas drill tested during the quarter were; Lookout Rocks West, South and East, and Throssell North and South (see Figure 11).

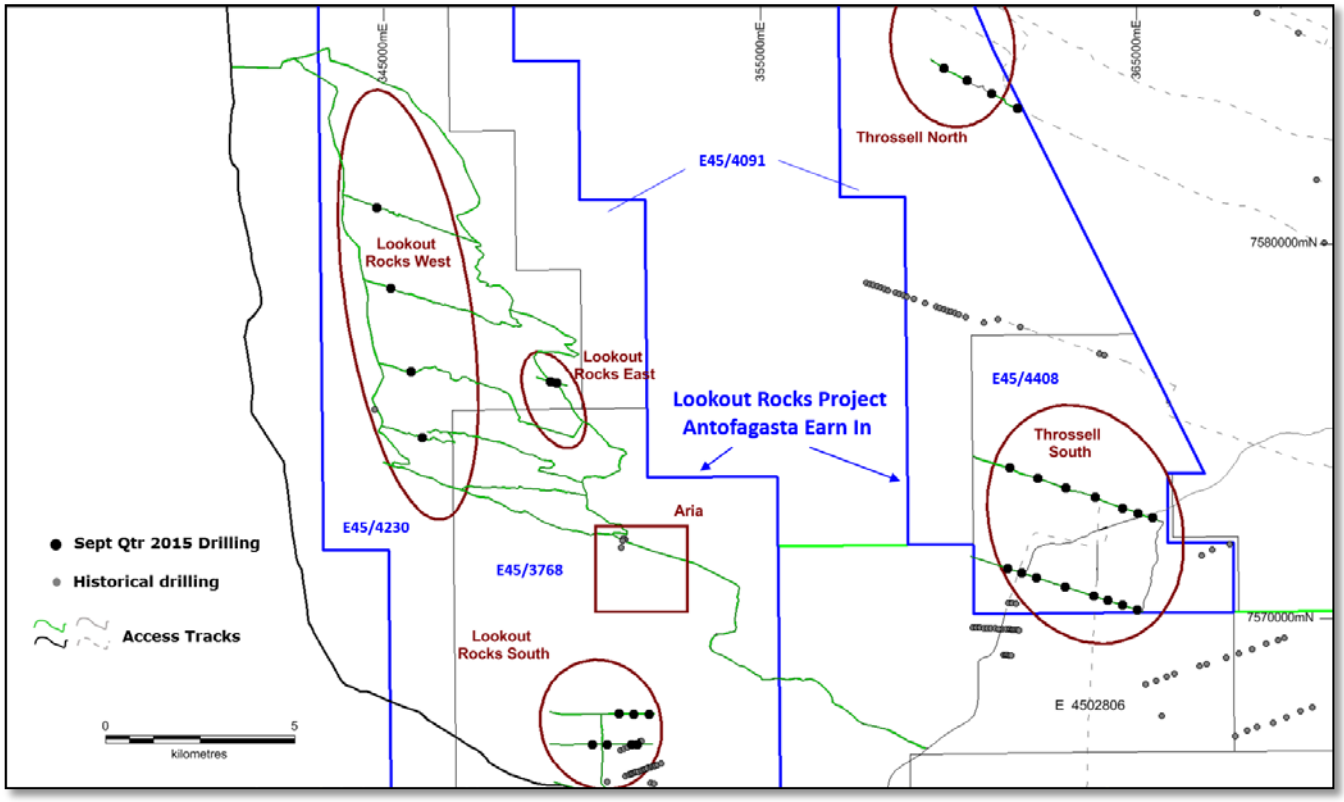

Figure 11: Lookout Rocks / Throssell Range Project – Prospect location, leasing and drill status plan

Lookout Rocks West – Four RC holes were drilled at approximately 2km spacing along a NNW trending belt of conductive stratigraphy. This area contains outcrops of Permian cover and the thickness of this cover unit was unknown. Only two of the four holes penetrated into the Proterozoic basement, which was dominated by siliciclastic lithologies of the Tarcunyah Formation. No copper anomalism was intersected in this drilling. It is interpreted that these units are not prospective for sediment-hosted copper deposits and no further work is planned at this time.

Lookout Rocks South and East – A total of nine holes were drilled along a covered belt of conductive stratigraphy situated at the western margin of a block of Coolbro Sandstone. Drilling confirmed Broadhurst Formation stratigraphy at both prospects that was associated with broad intervals of moderate copper anomalism of between 200ppm to 600ppm Cu in the regolith. The oxidised Broadhurst sediments in this area are heavily weathered and leached, indicating strongly acidic meteoric fluids were present. The intense leaching effect of these fluids is evidenced by the high kaolin content of the regolith material and this process may have significantly depleted any primary copper mineralisation in the area. It is this observation that has led to the interpretation that these initial reconnaissance results are significant and further drilling is required to test for the primary mineralised position at depth.

Throssell North – A single traverse of four holes was completed at Throssell North. These holes failed to penetrate the cover sediments and no copper anomalism was identified in the holes. A review of this prospect is required before any further drilling is planned.

Throssell South – Two traverses were drilled across the sand covered Throssell South target, at a line spacing of 2.5km. The holes along the lines were at 800m spacing with occasional infill holes drilled at 400m spacing. Drilling along the eastern margin of the prospect outlined a NNE trending copper anomaly that runs parallel to a deep palaeochannel. Drilling across the palaeochannel failed to reach Broadhurst Formation below the cover, however the holes to the immediate east of the channel did intersect moderate copper anomalism within Broadhurst Formation at the bottom of the holes, including an occurrence of fine disseminated chalcopyrite on the northern line. A program of deeper RC drilling was recently completed at Throssell South, with assay results expected in November 2015.

Aria

A single diamond drill hole (PADD002A) was completed at the Aria Prospect by a previous explorer under the WA Government EIS program. This drill hole was located to test a discrete magnetic anomaly within the GSWA regional magnetic dataset (Figure 12). The drill hole intersected a hematite altered, polymictic breccia (see Photos 1 and 2) from the start of diamond core at 84.7m to the end of hole (650.1m). Approximately 15% of the core drilled in PADD002A was previously submitted for chemical analysis, including only 31 metres of the first 400 metres of drill core.

Zones of weakly disseminated chalcopyrite and bornite (copper sulphide minerals) have been identified in the drill core from approximately 120m to the end of the hole. All of the core from PADD002A has now been cut and assayed. Chemical analysis has recently been received which identified zones of subtle copper anomalism consistent with the visual observations.

A detailed ground gravity survey has recently been completed at Aria. The survey was designed to define any density anomalies adjacent to the hematite-altered breccia intercepted in PADD002A, with any resultant anomalies potentially outlining zones of more intense hematite alteration. It has been noted in IOCG deposits that more intense hematite alteration typically has a close spatial relationship to the strongest copper mineralisation.

The gravity survey has outlined a discrete density anomaly located on the margin of the previously identified magnetic anomaly, with this anomaly also being located to the south of drill hole PADD002A (see Figure 13). Final modelling of the magnetic and gravity data has been completed, and diamond drilling at the Aria Prospect has commenced.

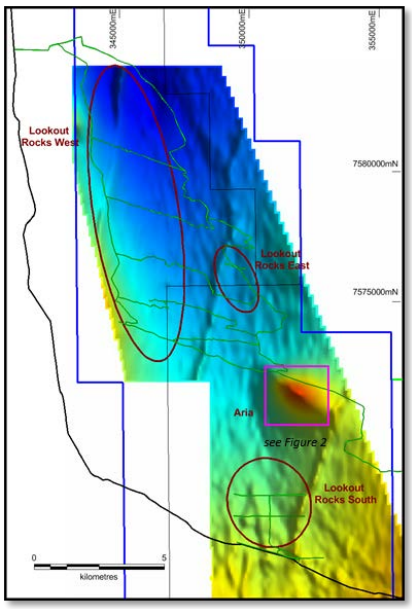

Figure 12: Lookout Rocks Project Aria Prospect - Magnetics TMI

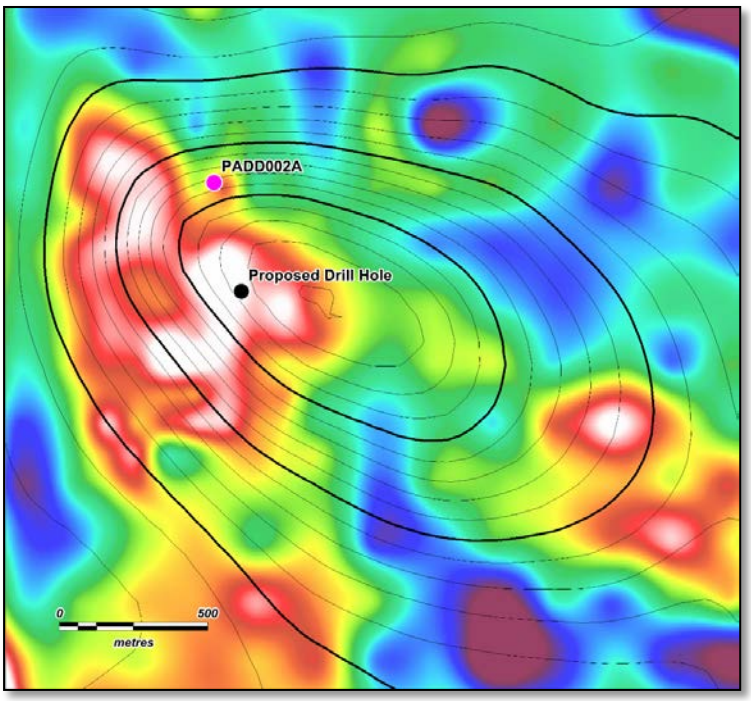

Figure 13: Residual Gravity image with RTP1VD magnetic contours (0.01 nT/m intervals)

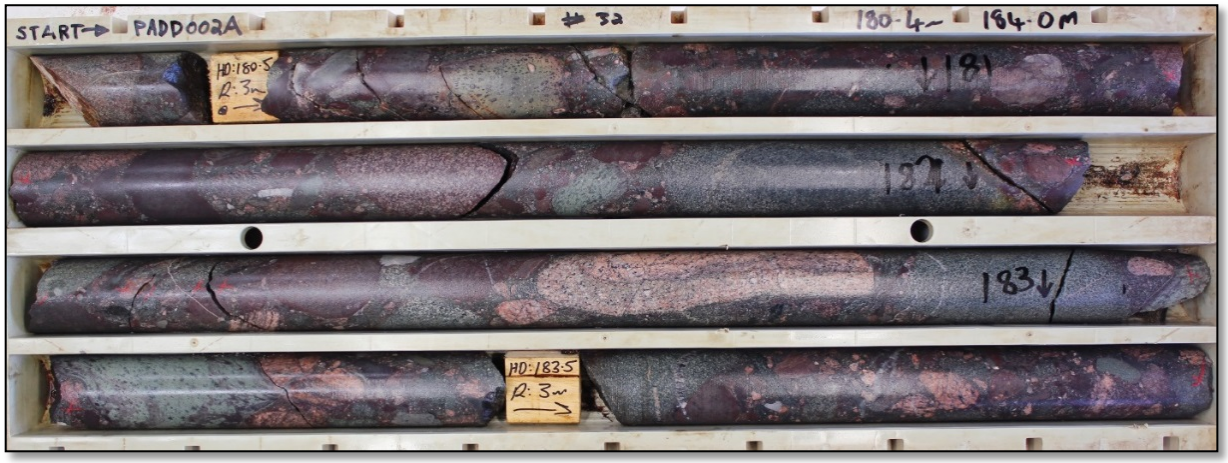

Photo 1: PADD002A 180.4m to 184.4m – Hematite-altered, polymictic breccia containing clasts of felsic porphyry, gneiss and mafic igneous rocks

Photo 2: PADD002A 610.8.4m to 615.3m – Hematite-altered, polymictic breccia containing clasts of felsic porphyry, gneiss and mafic igneous rocks

CORPORATE

Encounter held cash reserves of approximately $3.3 million at 30 September 2015.

During the September 2015 quarter the Company completed a private placement to professional and sophisticated investors, including a fund managed by the Sprott Group of Companies, to raise approximately A$1.5 million before costs. The placement of approximately 10,880,000 ordinary fully paid shares at A$0.14 and 5,440,000 options with a 3 year term and an exercise price of A$0.21, was completed pursuant to the Company's 15% placement capacity under ASX Listing Rule 7.1.

Subsequent to the end of the September 2015 quarter, the Company announced that it had raised an additional amount of approximately A$1.4 million through the Share Purchase Plan ("SPP") and a private placement made to private equity fund Resource Capital Funds at A$0.14 per share. The private placement was completed under ASX Listing Rule 7.1A.

During the quarter 450,000 employee options exercisable at A$0.80 per share and expiring 30 September 2015, were cancelled having lapsed unexercised.

NEXT QUARTER HIGHLIGHTS

Activities planned for the December 2015 quarter include:

1. Millennium – RC hole EPT2260 will be extended with a diamond tail and a new diamond drill hole will be completed to target the mineralised position approximately 150m down dip of the 70m @ 2.3% Zn drilled in EPT2260.
2. Lookout Rocks / Throssell Range – Complete follow up RC drill program over priority targets at Throssell South prospect (Antofagasta earn-in).
3. Aria IOCG - Complete diamond drill hole to test discrete gravity anomaly (Antofagasta earn-in).
4. BM7 – Complete single diamond drill hole is proposed to test 200m down dip to the east of EPT2158 that intersected 140m @ 0.2% Cu, including 1.3m @ 3.2% Cu from 250.4m.

TENEMENT INFORMATION

Lease	Location	Project Name	Area km^2	Interest at start of quarter (01/07/2015)	Interest at end of quarter (30/09/2015)
E53/1232	26km SE of Wiluna	Wiluna South	30.2	60% of uranium rights	0%
E51/1570	50km SSE of Meekatharra	Hillview	89.0	100%	100%
E70/4667	45km E of Moora	Bindi Bindi	316.9	100%	100%
E45/2500	266km NE of Newman	Paterson – Hampton Earning-in*	163.4	90-100%	90-100%
E45/2501	277km NE of Newman	Paterson – Hampton Earning-in	41.4	90%	90%
E45/2502	261km NE of Newman	Paterson	216.3	100%	100%
E45/2503	253km NE of Newman	Paterson	76.3	100%	100%
E45/2561	276km NE of Newman	Paterson – Hampton Earning-in	86.0	90%	90%
E45/2657	246km NE of Newman	Paterson	222.8	100%	100%
E45/2658	245km NE of Newman	Paterson	222.8	100%	100%
E45/2805	242km NE of Newman	Paterson	209.7	100%	100%
E45/2806	251km NE of Newman	Paterson	63.7	100%	100%
E45/4230	246km NE of Newman	Lookout Rocks - Antofagasta Earning-in	92.4	100%	100%
E45/3768	241km NE of Newman	Lookout Rocks / Throssell Range - Antofagasta Earning-in	187.8	100%	100%
E45/4091	253km NE of Newman	Lookout Rocks - Antofagasta Earning-in	257.7	100%	100%
E45/4408	262km NE of Newman	Throssell Range - Antofagasta Earning-in	41.7	100%	100%

** Hampton earning into the four eastern block of E45/2500*

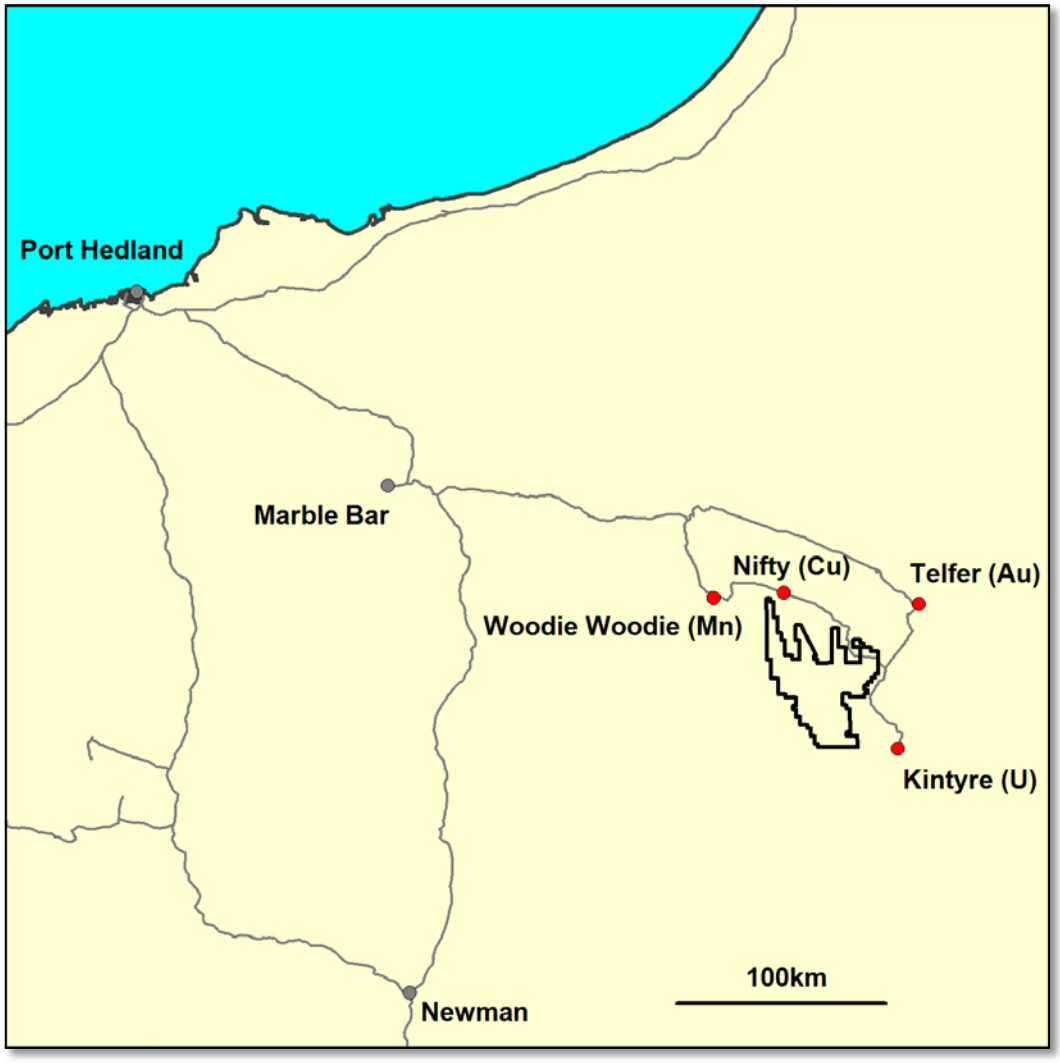

Figure 14: Yeneena Project Location Plan

Will Robinson
Managing Director

The information in this report that relates to Exploration Results is based on information compiled by Mr. Peter Bewick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bewick holds shares and options in and is a full time employee of Encounter Resources Ltd and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewick consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed.

Rule 5.3

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, 17/12/10

Name of entity

Encounter Resources Limited

ABN

47 109 815 796

Quarter ended ("current quarter")

30 September 2015

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (3 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(1,247)	(1,247)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(120)	(120)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	5	5
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	- R&D tax concession refund	541	541
	- Other (incl. EIS drilling grant)	-	-
	Net Operating Cash Flows	(821)	(821)
	Cash flows related to investing activities		
1.8	Payment for purchases: (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 – Farm-in cash calls received	1,179	1,179
	Net investing cash flows	1,179	1,179
1.13	Total operating and investing cash flows (carried forward)	358	358

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	358	358
	Cash flows related to financing activities		
1.14	Proceeds/(refunds) from issues of shares, options, etc.	1,524	1,524
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – capital raising costs	-	-
	Net financing cash flows	1,524	1,524
	Net increase (decrease) in cash held	1,882	1,882
1.20	Cash at beginning of quarter/year to date	1,372	1,372
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	3,254	3,254

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'000
1.23	Aggregate amount of payments to the parties included in item 1.2	174
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 - Remuneration of Directors.

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

Expenditure for the quarter of $870,465 ($870,465 year to date) has been incurred by other entities Pursuant to farm-in agreements on projects held by the Company.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available $A'000	Amount used $A'000
3.1 Loan facilities	-	-

3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	1000
4.2	Development	-
4.3	Production	-
4.4	Administration	200
	Total	**1,200**

Estimated exploration costs of the proposed farm-in work programs for the December quarter have been included in 4.1.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	3,180	1,173
5.2	Deposits at call	74	199
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	3,254	1,372

Subsequent to the end of the September 2015 quarter the Company raised a further $1.43 million through the completion of a Share Purchase Plan and a Private Placement (refer ASX release 22 October 2015).

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	E53/1232	Uranium Rights	60%	0%
6.2	Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

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**	145,426,208	145,426,208		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Released from Escow	10,882,858 - -	10,882,858 - -		
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)*			*Exercise price*	*Expiry date*
		450,000		$0.40	31/5/2016
		1,450,000	-	$0.30	30/11/2016
		600,000	-	$0.39	30/11/2017
		750,000	-	$0.21	31/5/2017
		200,000	-	$0.31	31/1/2018
		670,000	-	$0.22	31/5/2018
		1,250,000	-	$0.23	27/11/2018
		750,000	-	$0.31	27/11/2019
		800,000	-	$0.16	31/1/2019
		5,441,429	-	$0.21	30/9/2018
7.8	Issued during quarter	5,441,429	-	$0.21	30/9/2018

+ See chapter 19 for defined terms.

7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	450,000	-	$0.80	30/9/2015
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 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Date: 30 October 2015

(Company secretary)

Print name: Kevin Hart

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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* 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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+ See chapter 19 for defined terms.