



Quarterly Report

Period Ending March 31 2018

Highlights

- **Heavily oversubscribed A\$4 million Placement** to sophisticated and institutional investors successfully closed, with the Placement cornerstoned by existing major shareholders Exploration Capital Partners (affil Sprott), Taurus and Blue Spec Drilling (assoc with Hot Chili Chairman Murray Black)
- Critical mass achieved with **formation of a new consolidated high grade coastal copper project in Chile, named El Fuego**, comprising the collective landholdings across three exciting high grade areas (San Antonio, Lulu & Valentina)
- San Antonio historical underground mine data outlines a standout high grade resource development opportunity, with San Antonio Main Lode confirmed to continue (open and untested) below 90m depth and revealing **strong historical face channel sampling results including 7.5m grading 10.4% copper (just 60m below surface)**
- Environmental applications set to be submitted in the coming days for first pass drill programme over multiple high grade copper targets at El Fuego

ASX CODE

HCH

Contact

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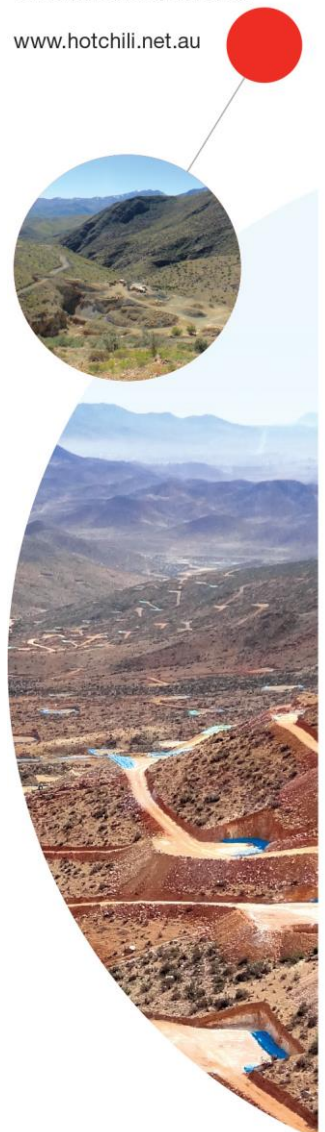
Summary of Activities

Hot Chili Limited (ASX code HCH) ("Hot Chili" or "Company") has seen a very active start to 2018, with significant workstreams undertaken, and the Company now poised to capitalise on its efforts following consolidation of the El Fuego high grade copper project and a heavily oversubscribed capital raising.

The Company is excited to soon be drill testing the San Antonio and Valentina copper mine areas as a priority, following evaluation of recently acquired detailed mine development and copper grade distribution data. Both mine areas have demonstrated clear potential for large, high grade copper-gold resources to be defined from shallow depths given successful drill results.

Further consolidation opportunities continue to be pursued as part of the Company's strategy to add critical mass and establish Hot Chili as the leading copper developer listed on the Australian Securities Exchange.

The Company looks forward to releasing further updates on its exploration progress in advance of planned drilling across what is shaping to be an exciting line-up of high grade copper targets.





Key milestones achieved during the quarter include:

- A\$4.0 million Placement to sophisticated and institutional investors through the issue of New Shares at 3 cents per share
- Execution of a non-binding Letter of Intent (LOI) to acquire a 90% interest in the Valentina landholding, located approximately 20km east of the Company's large-scale Productora copper project, adds a third high grade landholding
- Compilation of historical mine data has confirmed San Antonio continuity at depth, and also given detailed insight into copper grade distribution
- Detailed mapping and surface sampling has outlined a 6km long multi-deposit corridor featuring two high grade copper mines (San Antonio and Valentina), with confirmation of outcropping porphyry copper mineralisation across two potentially large blind porphyry centres
- The Company is well advanced in preparations to drill test a suite of shallow, high grade copper opportunities within the Company's new El Fuego copper project in Chile (see Figure 1)

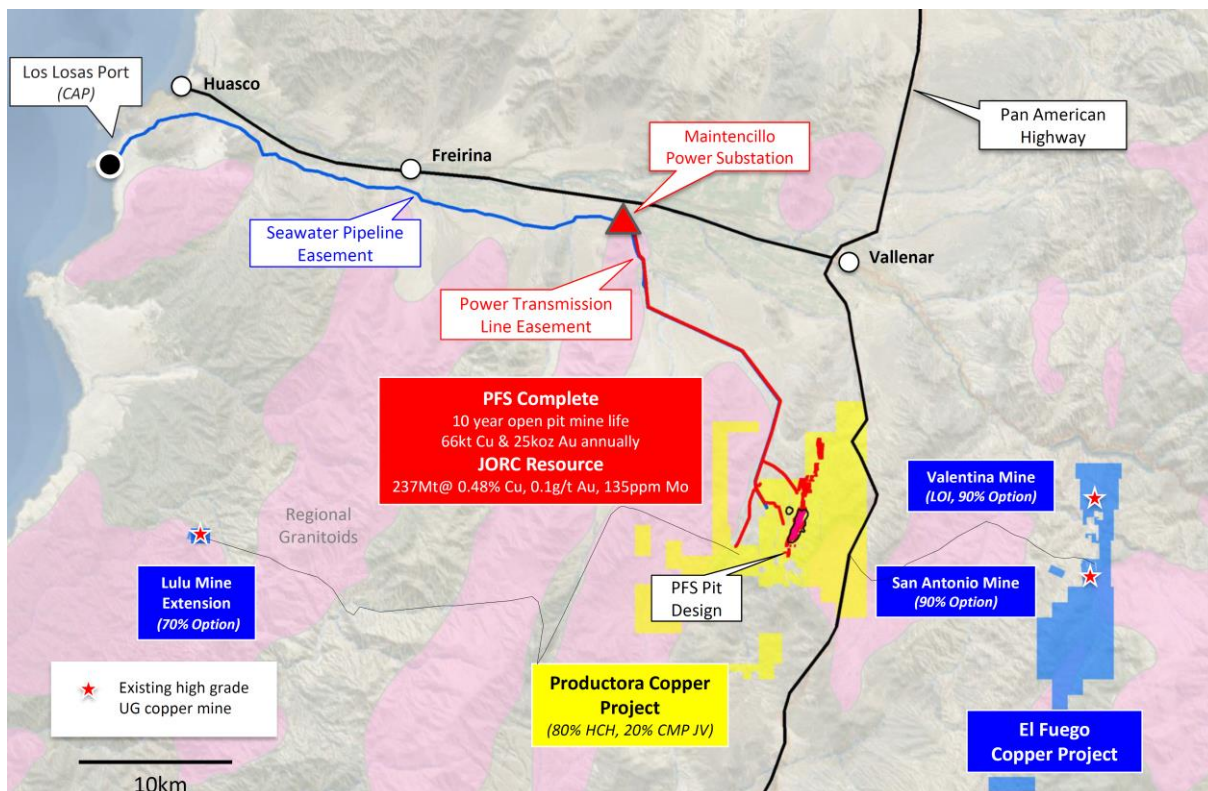


Figure 1 The new consolidated high grade El Fuego copper project in relation to the Company's existing large-scale Productora copper project.

Depth Continuation of San Antonio Main Lode Confirmed

During the quarter Hot Chili has received updated development drive information which confirms the continuation of the Main Lode of the San Antonio mine below the 90 Level (90m from surface).

Underground lease miners (under a capped arrangement) have been successful in locating the direct continuation of the Main Lode 120m from surface. Previous historical development and close-out drill holes at the base of the mine are now considered ineffective as displayed on Figure 2.

It is now apparent that historical development and close-out drilling on the 150 Level (150m from surface) appears to have been located some 30m too far east, which is considered significant given the sizeable widths and grade of the Main Lode on the 60 and 90 Level, which is now confirmed as open and untested.

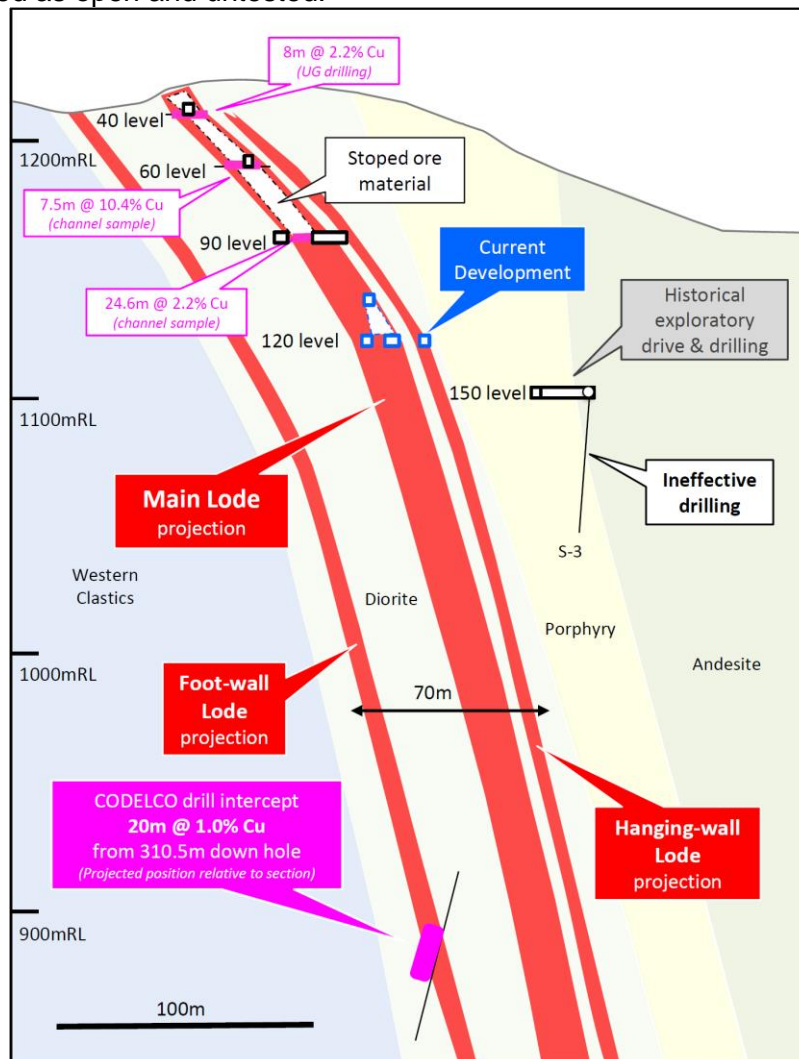


Figure 2 Schematic cross section of the San Antonio Mine and projected extensions to high grade copper and gold mineralisation



Historical Data Indicates Strong Continuity of Grade and Width at San Antonio

The first quarter of 2018 has seen the Company's technical team embark on a large data compilation exercise focused on assembling recently received San Antonio historical mine data, with underground face sampling and drilling data integrated in 3D for the first time ever.

Compilation of historical underground information for the San Antonio underground copper mine has continued to demonstrate continuity of grade and width, providing strong encouragement for large extensions to existing mineralisation and identified parallel lodes.

The historical mine data has provided detailed insight into high grade copper distribution within the deposit which will aid in effective drill testing of direct extensions to a deposit which remarkably remains largely untested at depth and along strike.

Hot Chili now considers the resource potential of the San Antonio mine area to be many multiples of the reportedly 2Mt grading 2% copper and 0.3g/t gold which has been historically exploited from the mine.

The Company believes that the San Antonio mine area represents a prized, large tonnage, high grade resource development opportunity, and as such it features as a priority for planned first drilling.

Table 1 outlines selected significant historical underground face sample results and historical drill results from the 60 and 90 Levels of the San Antonio mine.

Table 1. 60 and 90 Level Selected Historical Underground Results

Level	UG Face Channel Results	UG Drilling results
60 Level (60 m below surface)	7.5m grading 10.4% Cu	12m grading 2.9% Cu (including 5m grading 4.3% Cu)
	8.5m grading 2.3% Cu	12m grading 2.6% Cu (including 6m grading 3.2% Cu)
	9m grading 2.0% Cu	10m grading 2.2% Cu
	6.1m grading 2.2% Cu	9m grading 2.4% Cu
90 Level (90m below surface)	24.6m grading 2.2% Cu	14m grading 3.1% Cu (including 5m grading 5.5% Cu)
	24.7m grading 1.7% Cu	8m grading 3.1% Cu
	24.7m grading 1.8% Cu	11m grading 2.5% Cu
	12.3m grading 2.4% Cu	3m grading 3.0% Cu (to end of hole)

Figures 3, 4 and 5 display significant historical results in relation to the 60, 90 and 110 Levels of the San Antonio mine (Main Lode Only, not including parallel lodes), respectively.

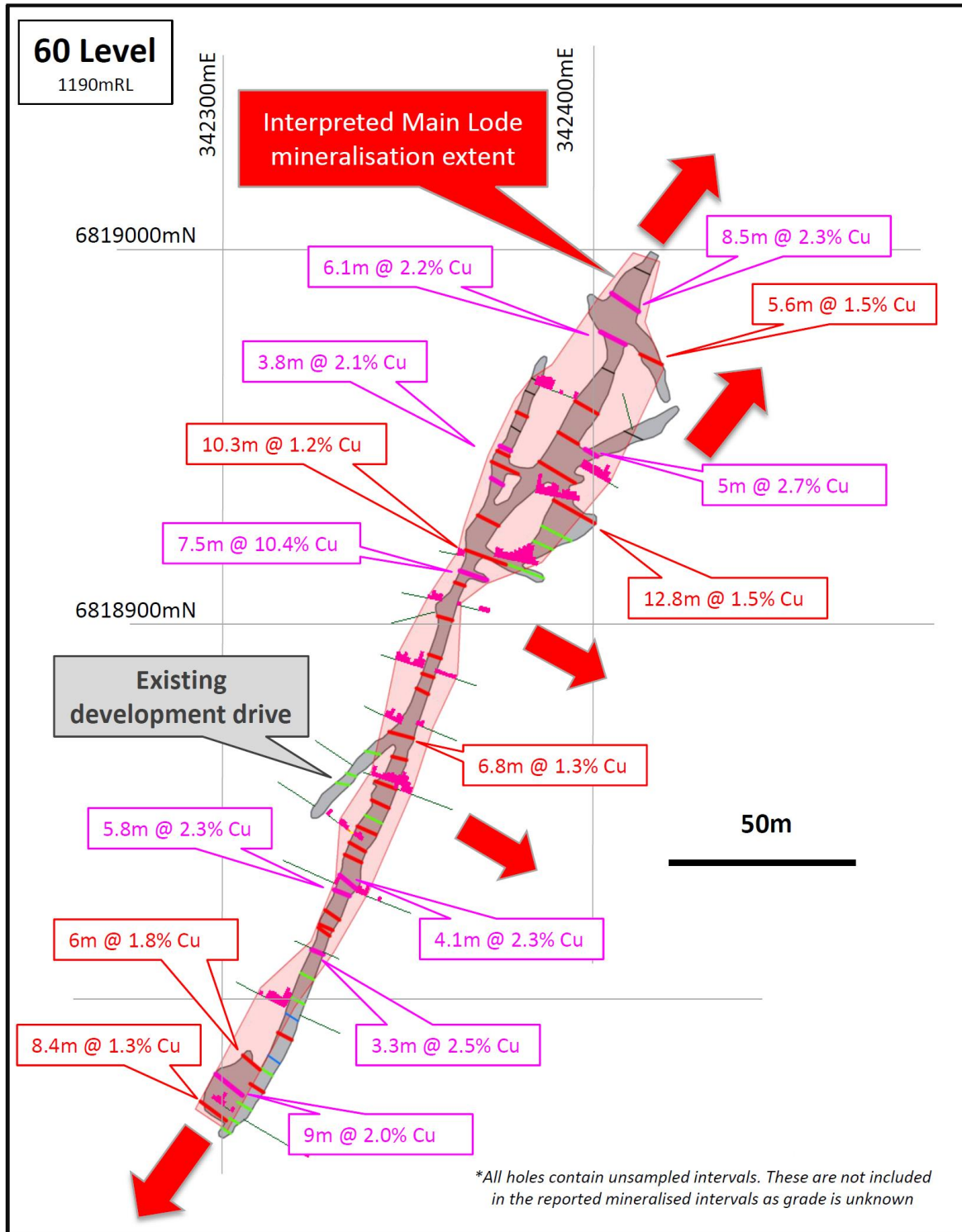


Figure 3 Significant historical face channel sample results and previously reported historical drilling across the 60 Level (60m from surface) of the San Antonio Main Lode.

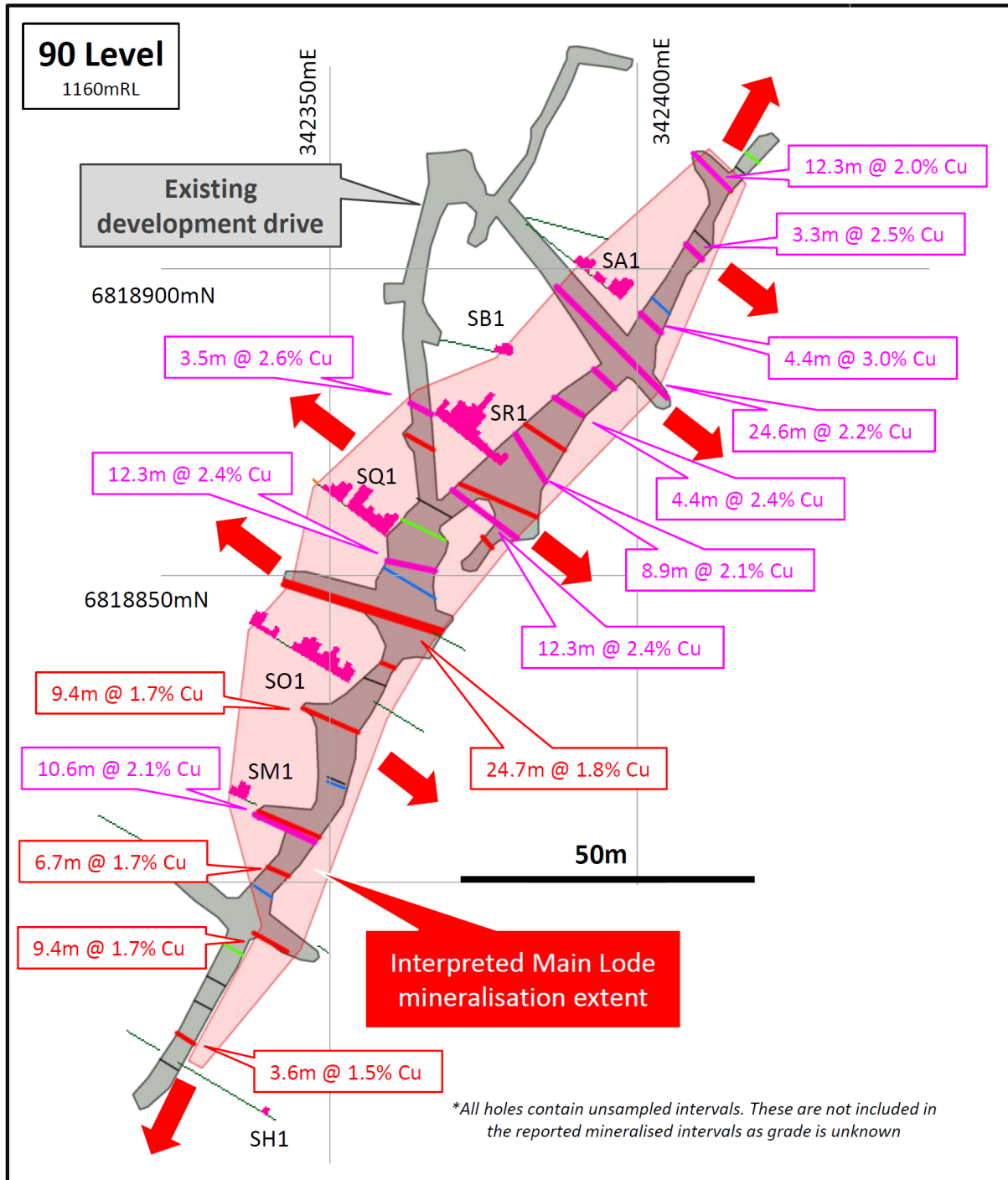


Figure 4 Significant historical face channel sample results and previously reported historical drilling across the 90 Level (90m from surface) of San Antonio Main Lode.

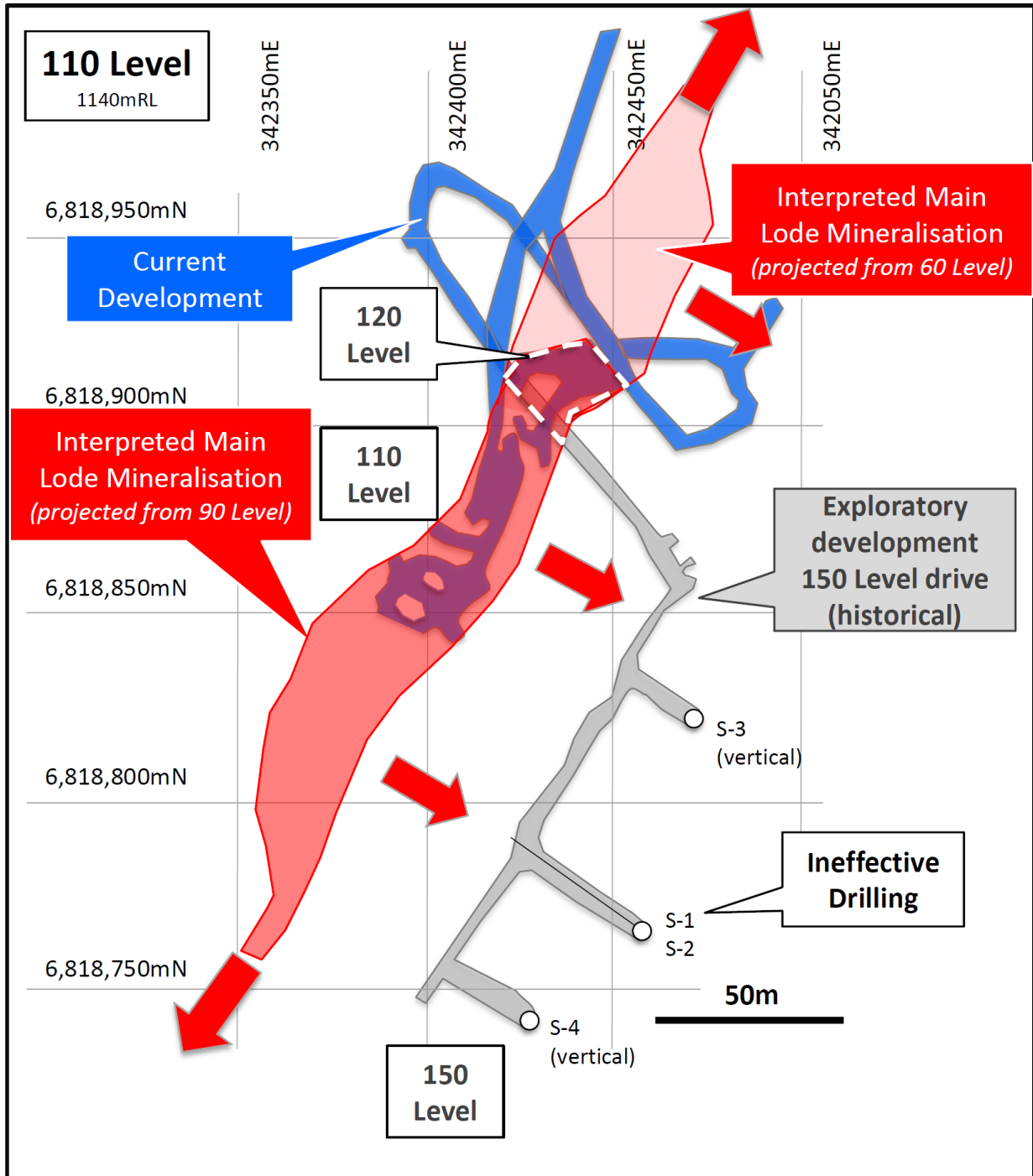


Figure 5 Location of current lease miners underground development (Level 110 and 120) in relation to the historical base of mine development (150 Level) which had previously not located the continuation of the mine.



Mapping Outlines 6km Long Multi-Deposit Corridor at El Fuego

Detailed mapping and surface sampling by Hot Chili during the quarter has outlined a 6km long multi-deposit corridor featuring two high grade copper mines (San Antonio and Valentina), and outcropping porphyry copper mineralisation across two potentially large blind porphyry centres.

The Company's technical team have compiled all information from recent detailed mapping and sampling campaigns covering the El Fuego landholdings (refer to Figure 6) with several priority areas highlighted for drill testing and follow up exploration workstreams.

High grade surface rock chip results have outlined strong potential for the Valentina mine area and extensions, recording results up to 5.4% copper and 1.1% gold. The Valentina mine area remains a priority for first drill testing given historical end-of-hole drilling intercepts of 11m grading 2.0% copper (including 7m grading 2.7% copper) from 120m down-hole, which have not been followed-up.

Mapping in an area named "Illusion" (located between San Antonio and Valentina) has identified outcropping porphyry copper mineralisation from a series of radially arranged porphyry dykes.

Confirmation of mineralised porphyry copper dykes at Illusion as well as 750 south of San Antonio, where the Company earlier reported a rock chip result of 2.8g/t gold and 0.1% copper from 20m wide felsic dyke, significantly enhances the discovery potential of this 6km corridor.

Results from an infill surface soil sampling programme completed in late 2017 have confirmed the presence of multiple large-scale copper in soil anomalies which lie within favourable stratigraphy immediately south of the San Antonio copper mine, refer to Figure 7.

In addition, preliminary reconnaissance mapping by Hot Chili resulted in a peak rock chip result of 0.9% copper and 40g/t silver being returned from outcropping copper-bearing veining from within the centre of the most southern copper soil anomaly.

Further work is planned to advance these targets with detailed litho-structural mapping as the Company builds up its exploration assessment of key areas of the El Fuego project.



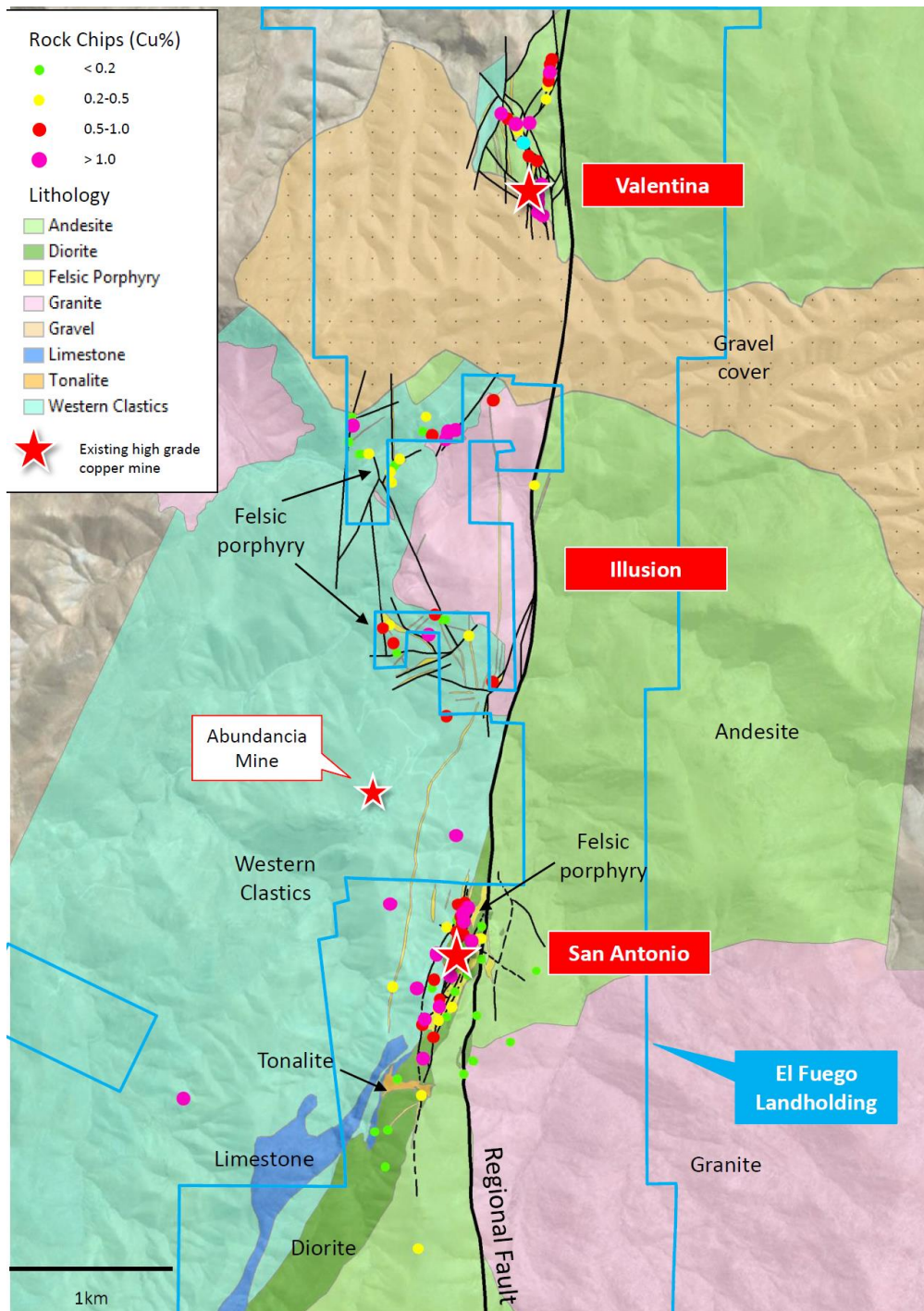


Figure 6 Consolidated geological interpretation and rock chip results across the San Antonio and Valentina corridor.

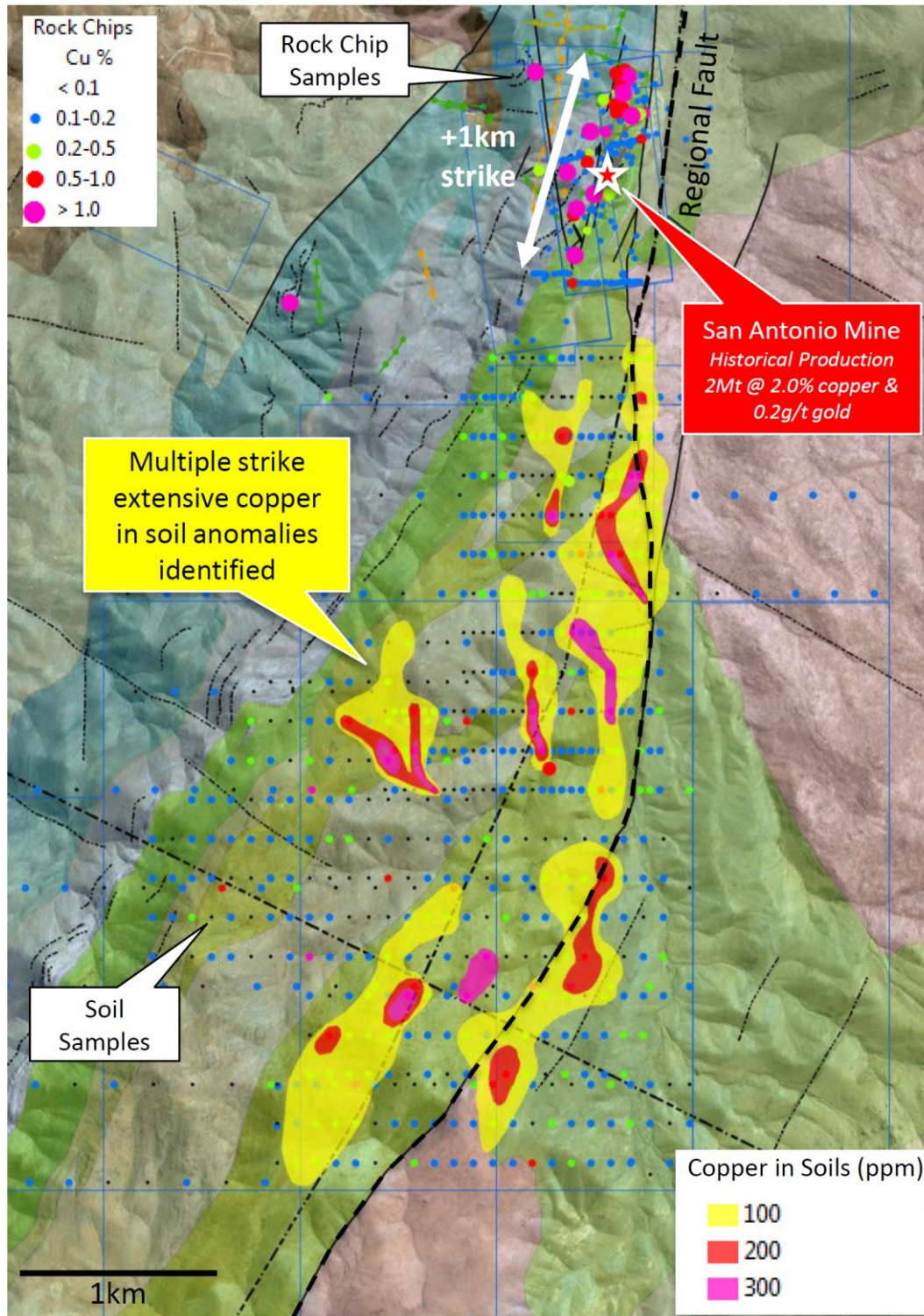


Figure 7 Location of several large soils geochemical copper anomalies located immediately to the south of San Antonio in relation to geology and fault architecture.



Drilling Design & Environmental Applications Advanced

Exploration surface sampling programmes are continuing across priority areas at El Fuego ahead of a second campaign of detailed mapping which is planned to extend coverage southwards from San Antonio in May.

In addition, Hot Chili is in discussions with lease miners at San Antonio to commence coordinated face sampling in conjunction with new underground development. The collection of this information will aid greatly with the commencement of resource definition sampling programmes and provide direct access to the extensions of the underground mine.

Drilling design is being finalised for the San Antonio mine area in advance of preparation of environmental applications for access and drilling. Regulatory applications are anticipated to be submitted shortly.

Hot Chili Pursuing Further Project Acquisition Opportunities

During the quarter the Company has continued its strategy of assessing project opportunities within the orbit of Productora, while also compiling and incorporating newly acquired regional data sets.

Several projects within Productora's orbit are considered stranded and currently rely on low-tonnage, high cost processing options in the region.

This technical compilation is being undertaken in-parallel with ongoing stakeholder discussions to investigate further potential partnership opportunities where "stranded" ore sources can take advantage of Productora's planned future large-scale, low-cost processing facilities.

Heavily Oversubscribed Capital Raising

As announced on 30th April 2018, Hot Chili has successfully arranged an A\$4 million placement to sophisticated and institutional investors through the issue of New Shares at 3 cents per share (the "Placement").

One Option will be granted for every two shares issued, with an exercise price of 10 cents and a two year expiry (31st May 2020).

The Placement, which originally targeted A\$2.5 million, has been heavily oversubscribed and the Company has agreed to accept over-subscriptions up to a maximum A\$4.0 million.

The issue price represents a discount of 11.23% to Hot Chili's 15 day VWAP of 3.338 cents.

Funds from the Placement will be used for general working capital requirements and to initiate exploration and drilling activities across several outstanding high-grade project opportunities within the El Fuego copper project, which are located within trucking distance to the Company's flagship Productora project.





The placement saw strong demand from professional and sophisticated investors in Australia and was cornerstoned by existing major shareholders Exploration Capital Partners (affil Sprott), Taurus Funds Management and Blue Spec Drilling, (an associate of Hot Chili's chairman Murray Black).

EverBlu Capital acted as Lead Manager to the Placement.

The Placement will be undertaken in two tranches:

- The first tranche of 98,378,610 New Shares and 49,189,305 Options, comprising all new investors, will not be subject to shareholder approval and will fall within the Company's 15% placement capacity under ASX Listing Rule 7.1 and additional 10% placement capacity under ASX Listing Rule 7.1A as follows:
 - LR 7.1 – 59,027,166 New Shares and 29,513,582 Option, and
 - LR7.1A – 39,351,444 New Shares and 19,675,722 Options
- The second tranche of 34,954,723 New Shares and 17,477,362 Options conditional upon shareholder approval, and amongst others will apply to shares subscribed by Taurus Funds Management, Blue Spec Drilling Pty Ltd (an entity associated with Hot Chili's chairman Murray Black) and Hot Chili's Managing Director Christian Easterday.

Each New Share will be issued at a price of 3 cents and one free attaching Option will be granted for every two shares subscribed. Options shall be unlisted and will have an exercise price of 10 cents and a two-year expiry (31st May 2020).

Settlement and allotment of New Shares under Tranche 1 of the placement is expected to occur on or before Friday 4th May 2018.

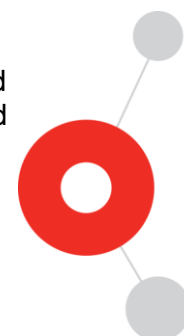
Hot Chili will convene an Extraordinary General Meeting to approve the Conditional Placement as soon as possible, in any event the Extraordinary General meeting is expected to take place on or around 15th June 2018. Settlement of the Conditional Placement will take place shortly after the Extraordinary General Meeting.

Health, Safety, Environment and Quality

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

The company is pleased to report that there were no incidents recorded for the quarter. Field operations during the period including geological reconnaissance activities, field mapping and sampling exercises at the San Antonio and Valentina landholdings.

The Company's HSEQ quarterly performance is summarised below:





HSEQ Quarter 1 2018 Performance and Statistics

Item	Oct-Dec /17	Last 24 Months
LTI events	0	0
NLTI events	0	0
Days lost	0	0
LTIFR index	0	0
ISR index	0	0
Thousands of mh (1)	0.45	22.94
Environmental incidents	0	0
Headcount (1)	5.7	6.5

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

Tenement Changes During the Quarter

The Company expanded its Valentina landholding during the quarter by submitting three pedimentos (mining petitions) under its 100% owned Chilean subsidiary Frontera SpA. The Valentina landholding has been expanded by 700 hectares.

License ID	Holder	% Interest	Licence Type	Area (ha)
DORO 1	Frontera SpA	100%	Mining Petition	200
DORO 2	Frontera SpA	100%	Mining Petition	200
DORO 3	Frontera SpA	100%	Mining Petition	300





Qualifying Statements

JORC Compliant Ore Reserve Statement

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

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

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

JORC Compliant Mineral Resource Statements

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

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

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



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

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

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

Mineral Resource and Ore Reserve Confirmation

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

Competent Person’s Statement- Exploration Results

Exploration information in this Announcement is based upon work undertaken by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a ‘Competent Person’ as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Person’s Statement- Mineral Resources

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



Competent Person's Statement- Ore Reserves

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

Forward Looking Statements

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

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



+Rule 5.5 Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Hot Chili Limited

ABN

91 130 955 725

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	
1.2 Payments for		
(a) exploration & evaluation	(372)	(681)
(b) development	-	(9)
(c) production	-	-
(d) staff costs	(197)	(600)
(e) administration and corporate costs	(257)	(617)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	6
1.5 Interest and other costs of finance paid	-	(50)
1.6 Income taxes paid	-	(106)
1.7 GST	-	(13)
1.8 Other - Settlement received	135	(52)
1.9 Net cash from / (used in) operating activities	(688)	(2,122)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(15)
(b) tenements (see item 10)	-	(130)
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9.months) \$A'000
	(d) other non-current assets- CHEN bond	-	(128)
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	1,007
3.2	Proceeds from issue of convertible notes	-	383
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(608)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	(782)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9.months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,479	2,404
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(688)	(2,122)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(273)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	782
4.5	Effect of movement in exchange rates on cash held	21	21
4.6	Cash and cash equivalents at end of period	812	812

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	724	1,391
5.2	Call deposits	88	88
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	812	1,479

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	108
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors salaries and superannuation

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

8.	Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities		
8.2	Credit standby arrangements		
8.3	Other (please specify)		
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	400
9.2 Development	-
9.3 Production	-
9.4 Staff costs	300
9.5 Administration and corporate costs	200
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	900

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced		There have been changes to tenement holdings during the quarter – please refer to the Activities Report		
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

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

Sign here:
(Company secretary)

Date: .30th April 2018.....

Print name:Lloyd Flint.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position.

An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.