



31 October 2016

Saggasco Limited
ASX: SGC

Onshore assets
Sacramento Basin,
California

- World-Class Conventional Gas Development
- Gas Producer
- Portfolio of exploration and appraisal stage projects
- Exposure to huge local demand for gas

Corporate Structure

Shares on issue: 130 M
Market Cap: \$7.8 M
52 week high: 6 cents
52 week low: 2.1 cents

Directors

Andrew Childs
(Chairman)

Gary Jeffery
(Managing Director)

Keith Martens
(Technical Director)

David McArthur
(Company Secretary)

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SEPTEMBER 2016 QUARTERLY ACTIVITY REPORT

Summary

- Targeting development of potential multi-reservoir, 1+Tcf Dempsey conventional gas prospect in Sacramento Gas Basin, onshore California.
- SGC progressing near-term strategy focused on commencement of drilling at Dempsey prospect in March quarter of 2017.
- Positive outlook for gas prices and renewed capital market interest in the oil and gas sector has created renewed interest in the planned Dempsey well and near term development of SGC's conventional gas assets.
- Sacramento Basin Farmout Confirms AMI Value. Farmout of up to 14% WI in prospects within Area of Mutual Interest ("AMI") for up to A\$280,000 providing funding for Saggasco to secure more leases over mapped gas prospects
- Share placement completed to advance Joint Venture discussions and secure additional leases in Sacramento Basin
- Subsequent to the end of the quarter Saggasco announced an acquisition to increase its working interest in the flagship Dempsey and Alvares Prospects and Operatorship of these prospect areas.

Californian-focused conventional gas developer Saggasco Limited (ASX: SGC) ("the Company") provides shareholders with its quarterly activity report for the period ended 30 September 2016.

The Company's key assets are the Dempsey and Alvares conventional gas prospects, which have gross unrisked best estimate recoverable prospective resources of 1+TCF and 2.4 TCF.

Subsequent to the end of the quarter Saggasco announced an acquisition to increase its working interest in the flagship Dempsey and Alvares Prospects and Operatorship of these prospect areas. Refer to Appendix to this Report titled ("Events Subsequent").

During the quarter Saggasco announced it had farmed out a working interest in its operated onshore California Area of Mutual Interest ("Cal AMI") to private company Bombora Natural Energy Pty Ltd ("BNE") (refer to announcement dated 15 August 2016).

As part of the agreement, BNE will earn a gross 20% working interest via staged funding of up to A\$400,000 in up to nine natural gas prospects that have already been mapped in the AMI.

SACRAMENTO BASIN - Onshore Northern California

EXPLORATION, APPRAISAL AND NEW VENTURES

Exploration leases have continued to be maintained within the Sacramento Basin during the quarter. SGC has a working interest (WI) of between 40% and 70% in these leased lands which cover conventional gas prospects. (Refer to the Appendix to this report and separate announcement on October 31, 2016 for details of expected changes as a result of events subsequent to the end of the reporting quarter).

Review of Sacramento Basin activity including farmout opportunities combined with ongoing reviews of reprocessed seismic and additional geologic information has reinforced SGC's belief that both Dempsey and Alvares are potentially world-class, multi-Tcf prospects, and the improved technical data has also been used to identify and upgrade additional prospects for exploration drilling.

Mapping completed to date has resulted in the identification of a portfolio of easy accessible gas prospects, with best estimate recoverable prospective resources of gas ranging from 50 Bcf to over 2 Tcf.

Dempsey Conventional Gas Prospect – Appraisal / Exploration stage (SGC 90% WI*)

The Dempsey conventional gas prospect is SGC's flagship prospect and remains the focus of the Company's near-term development plans. The Dempsey prospect has the potential for near-term, conventional gas production because it is located below existing SGC production facilities. Permitting activities are being finalised in preparation for commencement of drilling in 2016.

The Dempsey prospect has a Proposed Total Depth ('PTD') of 3,200 metres and is anticipated to take around 50 days to drill with costs estimated to be between US\$3 and US\$4 million.

The total (100%) unrisks recoverable prospective resource, from seven interpreted conventional sandstone reservoir zones, on a best estimate deterministic basis in the Dempsey prospect is over 1 Tcf (i.e. over 167 million barrels of oil equivalent (boe)). Further details were included in the Company's ASX release dated 4 September 2014. * Refer to "Events Subsequent" Appendix to this report for details on the expected change in Working Interest.

The Dempsey #1 well will be located within a proven gas field area with existing joint venture owned pipeline and meter station infrastructure easily accessible. Final well permitting is estimated to take less than 45 days.

Upon discovery of commercial quantities of gas, these existing production facilities with capacity of up to 20 mmcf/gpd, which are connected to the interstate pipeline networks, would be used to sell the gas with minimum delay. Such potential flows, if achieved could result in up to US\$60,000 per day of gross well production revenue if gas prices were similar to today's prices. Operating costs are relatively low for gas wells in the area.

Alvares Conventional Gas Prospect – Appraisal stage (SGC 75% WI*)

The Alvares conventional gas prospect is located close to large natural gas pipelines and on trend 35 miles from the similarly structured multi-Tcf Tulainyo Project which is based on the Shell James-1 well drilled in 1947 for oil. The James well intersected multiple sandstone reservoirs with extensive gas shows. The Tulainyo well drilled in early 2015 intersected multiple stacked, gas bearing conventional reservoirs on a 50 square mile anticline.

Saggasco’s Alvares prospect contains a total (100%) unrisks recoverable prospective gas resource on a best estimate deterministic basis of approximately 2.4 Tcf (400 million boe). Further details were included in the Company’s ASX release dated 4 September 2014. * Refer to “Events Subsequent” Appendix to this report for details on the expected change in Working Interest.

Alternative methods of evaluating the gas flow potential using the existing Alvares well bore are being considered.

PRODUCTION UPDATE

Rancho - Capay Gas Field (SGC 90% WI* in 4 wells) & Los Medanos Gas Field (SGC 90% WI* in 3 wells)

SGC acquired a 40% working interest in gas production rights in the above fields in the Sacramento Basin onshore California in late 2012 primarily as a means to acquire leases for further exploration and access an extensive 3D seismic database to generate new exploration opportunities. SGC acquired an additional 15% WI in these wells effective 1 January 2014. * Refer to “Events Subsequent” Appendix to this report for details on the acquisition of an additional 35% WI and the associated timing and conditions.

SGC continues to evaluate production acquisition opportunities that provide short term cash flow and strategic longer term access to exploration leases, and production facilities and pipelines connected to the premium California gas market.

<i>Production</i>	September 2016 Quarter	June 2016 Quarter
Gross mcf * (100%)	16,804	2,748
Net SGC mcf (after Royalty)	6,423	1,029
<i>*mcf – Thousand Cubic feet gas</i>		

Gas production during the September 2016 Quarter significantly increased due to improved gas prices and pipeline availability.

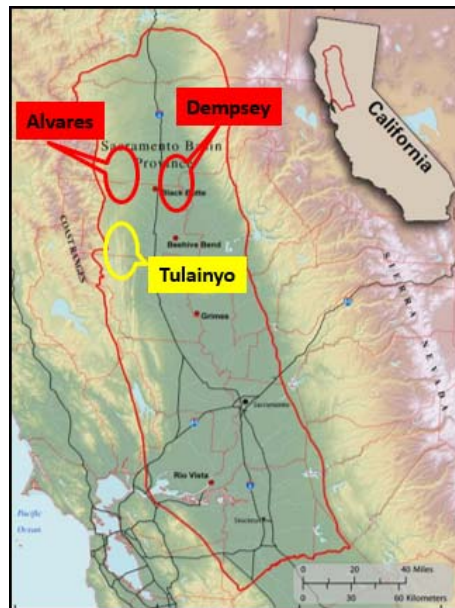


Figure 1: SGC's Sacramento gas assets (red), onshore California

PROSPECT PORTFOLIO

As outlined above, SGC's current focus is unlocking the underlying value from its conventional gas prospects in the Sacramento Basin. At this point, the Company believes shareholders' interests are best suited to a singular focus on the largest value adding projects in the Sacramento Basin, particularly the early monetization of the Dempsey prospect.

SACGASCO LIMITED		
Tenement / Project List		
Project name	Location	Working Interest
Alvares Prospect	Sacramento Basin Onshore Northern California	40% *(90%)
Dempsey Prospect	Sacramento Basin Onshore Northern California	55% *(75%)
California AMI Prospects	Sacramento Basin Onshore Northern California	56%
Rancho-Capay Gas Field	Sacramento Basin Onshore Northern California	55% *(90%)
Los Medanos Gas Field	Sacramento Basin Onshore Northern California	55% *(90%)
Mankins Ranch Oil Project	Santa Maria Basin (Huasna Sub-Basin) Onshore Southern California	35%

Changes in Reporting Period:

Working interest may vary across individual Prospects and WI above reflect the WI in the majority of leased lands.

Projects are continuously reviewed for their strategic fit and are expected to be modified over time to reflect industry conditions.

***The working interests listed were correct at the end of the subject quarter. Events subsequent to the end of the Quarter are expected to result in the increased working interests shown in the above table in brackets and those changes and related conditions are explained in the Events Subsequent attachment to this report.**

CORPORATE ACTIVITY

The SGC June 2016 Interim Financial Report was issued on 13 September 2016 and a copy is available on our website www.sacgasco.com.

In addition, AOC Managing Director Gary Jeffery presented to shareholders and investors at the annual Good Oil Conference held in Perth, Western Australia (refer ASX release dated 14 September 2016).

Sacramento Basin Farmout Confirms AMI Value. The Company has taken a key step in unlocking the value of its conventional natural gas opportunities by farming out a working interest in its operated onshore California Area of Mutual Interest (the “AMI”) to private company Bombora Natural Energy Pty Ltd (“BNE”). BNE will fund additional oil and gas leases over highly prospective structures in the Northern Sacramento Basin BNE will earn a 20% Working Interest (“WI”) in up to nine (9) natural gas prospects that have already been mapped in the AMI by providing staged funding of up to A\$400,000.

Subsequent to the end of the quarter Saggasco announced the acquisition of Peregrine Limited to increase the Company’s interests in the current gas producing assets and more importantly the flagship Dempsey and Alvares Prospects. Refer to “Events Subsequent” Appendix to this report for details on the expected change in Working Interests.

The Company has also completed a placement of 17,397,546 fully paid ordinary shares at a price of 2.5 cents each to raise \$434,938 (before costs). As part of the placement the Company has also issued 8,698,773 unlisted options (One (1) option for each two (2) shares taken up in the placement) for zero consideration exercisable at 3 cents each on or before 30 September 2017.

ISSUED CAPITAL at 31 October 2016

Ordinary Shares	130,111,124
Unlisted Options exercisable @ 25 cents 31 Dec 2016	500,000
Unlisted Options exercisable @ 10 cents 30 September 2019	11,000,000
Unlisted Options exercisable @ 3 cents 30 September 2017	8,698,773

Note:

On 10 October 1,151,422 shares were issued in satisfaction of directors fees and satisfaction of debt for the September 2016 Quarter.

POSITIVE OUTLOOK FOR US NATURAL GAS

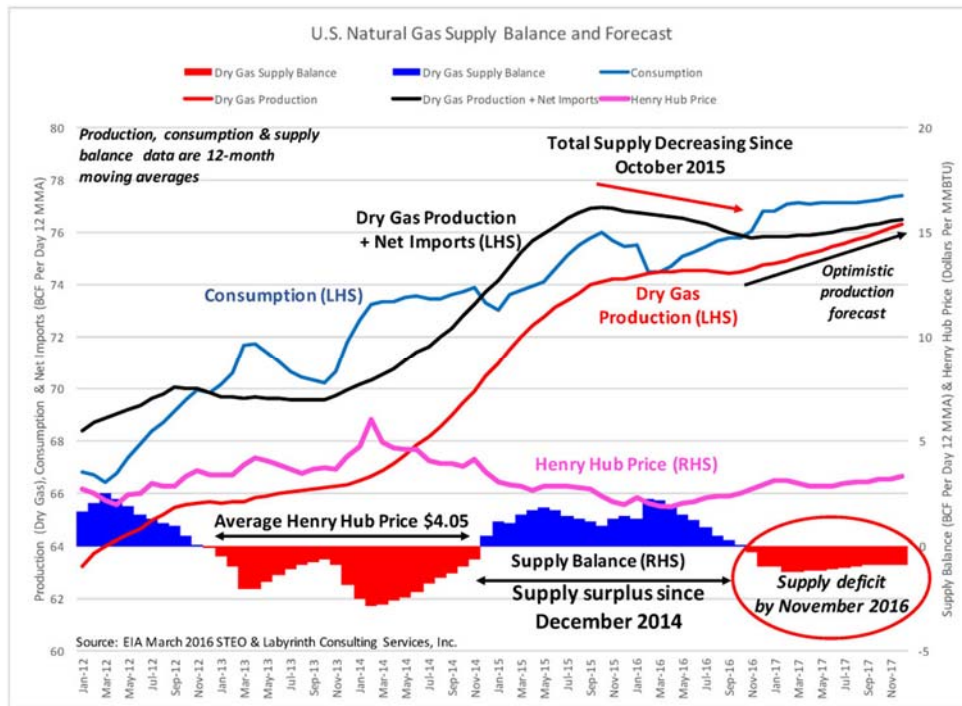


Figure 2: US Natural Gas Supply Forecast

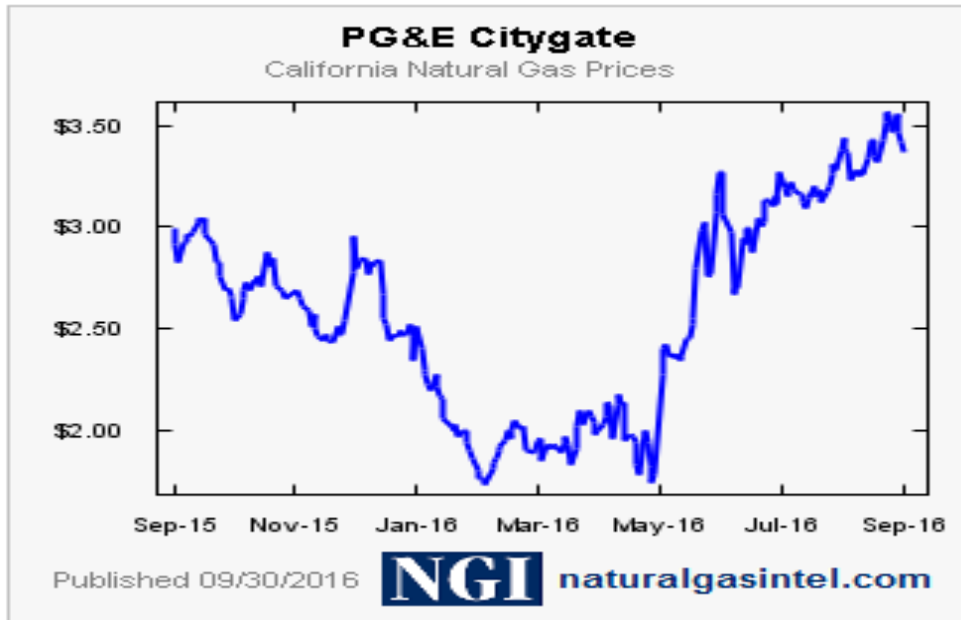


Figure 3: PG&E Citygate California Natural Gas Prices to end of September 2016



SGC's Managing Director Gary Jeffery commented:

"The strong recovery of California (as represented by the PG&E Citygate chart above) gas prices from their lows in the June Quarter has underpinned an optimistic outlook for clean, natural gas in the USA.

Saggasco has increased its distinct competitive advantage as an onshore, conventional gas exploration and development company through the announced acquisition of an additional 35% working interest in its flagship Dempsey and Alvares Prospects.

The Company is very encouraged by increased capital market and investor interest in the interpreted leverage in Saggasco's conventional natural gas assets.

We look forward to providing our shareholders with further updates in the near term as funding discussions and development strategies are progressed."

Note: The above referenced "Events Subsequent" Appendix appears after the explanatory notes that follow.

For and on behalf of the Board of Saggasco Limited.

Gary Jeffery
Managing Director
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Sam Burns
Six Degrees Investor Relations
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Saggasco Limited Company Background

Saggasco Limited (ASX: SGC) is an Australian-based energy company focused on conventional gas exploration in the Sacramento Basin, onshore California. SGC has an extensive portfolio of oil and gas prospects at both exploration and appraisal stages, including a number of multi-Tcf opportunities. The Company is targeting gas supply to the local Californian gas market and burgeoning LNG market on the west coast of North America. SGC is of the view that the size of the prospects in California have the potential to supply both the domestic Californian gas market and export LNG markets.

www.saggasco.com

Twitter: @SacGasCo

Leases:

US exploration is conducted on leases grant by Mineral Right owners, in SGC's case primarily private individuals or groups. Leases can vary in size from very small parcels (part of an acre) to large landholdings (covering a few square miles). Leases generally are for 5 years and rentals are paid annually. There are no work commitments associated with the leases. Some leases are 'Held By Production' and royalties, are paid to mineral right owners in lieu of rentals. SGC has not listed all it leases as it is impractical and not meaningful for potential project value assessment in a conventional gas play. A detailed listing of leases may also lead to a loss of competitive advantage and consequent reduced value to SGC shareholders.



Competent Persons

This document contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a many variables which could cause actual results or trends to differ materially. The technical information provided has been reviewed by Mr Gary Jeffery, Managing Director of Saggasco Limited. He is a qualified geophysicist with over 43 years technical, commercial and management experience in exploration for, appraisal and development, and transportation of oil and gas. Mr Jeffery consents to the inclusion of the information in the form and context in which it appears.

Facilities depicted in images in this release are not necessarily assets of Saggasco. Some of the images used represent aspects of the oil and gas industry in which Saggasco is involved.

In accordance with ASX Listing Rules, any new hydrocarbon resource information in this document has been reviewed by Saggasco's Technical Director, Mr Keith Martens, who has over 35 years of experience in the sector, with 15 years of experience in working in North America. Mr Martens is a qualified resources evaluator and consents to that information being included in the form and context in which it appears. Past ASX releases contain the basis for the resource estimates in this report.

Before investing it is recommended that you conduct your own due diligence and consult financial and technical advisors.

Appendix: “Events Subsequent”

Text of Saggasco’s Market release titled “SAGGASCO Acquires Additional Equity and Secures Operatorship of Flagship Sacramento Basin Conventional Natural Gas Prospects”, dated 31 October 2016.

Highlights:

- **LOI signed with private company Peregrine Limited to acquire 35% of Dempsey and Alvares Prospects for issue of 32 million fully paid SGC shares and A\$3m from future revenue from gas sales from Dempsey**
- **Increases equity in Dempsey Prospect from 55% to 90% and Alvares Appraisal Prospect from 40% to 75%**
- **Saggasco now becomes Operator of both prospects**
- **Appointment of new London-based non-executive director which will assist with SGC’s market visibility in London**
- **Post transaction, Saggasco’s capital structure remains conservative with ~162 million shares and ~19 million options on issue**
- **Advanced discussions with interested farm-in groups and financing partners interested in funding drilling of Dempsey and Alvares**
- **New leases across Area of Mutual Interest (AMI) are also pending**

Sacramento Basin-focused conventional gas producer and developer, Saggasco Limited (ASX: SGC) (‘Saggasco’) is pleased to confirm a company-transforming transaction with the acquisition of additional equity and the securing of operatorship in its flagship Dempsey and Alvares conventional natural gas prospects in the Sacramento Basin, California.

Saggasco has signed a letter of intent (‘LOI’) to acquire an additional 35% equity in, and Operatorship of its flagship Dempsey and Alvares Prospects through the acquisition of private company Peregrine Limited (‘Peregrine’). Peregrine shareholders have a track record of success investing in the oil and gas sector. Its major shareholder Mr Paddy Mahon is CEO of Geneva based Hereford Securities and Management S.A.

As consideration Saggasco will issue 32 million fully paid shares to Peregrine shareholders. Upon success at Dempsey, Saggasco will pay Peregrine a bonus payment of AUD\$3 million derived from future revenue from gas sales from reservoirs beneath the producing Forbes Formation. Such cash flow will be net of royalties and lease level costs attributable to 17.5% working interest (50% of acquired WI) in the first Dempsey Prospect well.

Saggasco was responsible for identifying and mapping the Tcf-scale Dempsey Prospect, based on 2D and 3D seismic data, and recognising the ‘left behind’ multi-Tcf-scale potential of the 1982 Alvares gas discovery based on a key well and 2D seismic.



The strong recovery of California gas prices to over US\$3 per mcf, in one of the lower operating cost environments in the world, in conjunction with improving capital markets for oil and gas investments, underpins a positive outlook for Saggasco and funding of the Dempsey well drilling and its potential for significantly increased sales of clean, natural gas in California, a “Top 5 World Economy”.

Working Interests (“WI”) in the planned Dempsey-1 well:

	Current WI	New WI
Saggasco	55%	90% (Operator)
Xstate Resources	10%	10%
Peregrine	35% (Operator)	0% (Shareholders)

Working Interests in the first well to be drilled on the Alvares Prospect:

	Current WI	Resultant WI
Saggasco	40%	75% (Operator)
Xstate Resources	25%	25%
Peregrine	35% (Operator)	0% (Shareholders)

The acquisition is subject to normal due diligence by Saggasco, signature of a formal sales and purchase agreement, and Saggasco shareholder approval to issue related shares. Following shareholder approval, Peregrine’s representative Mr Philip Haydn-Slater is expected to join the Saggasco Board.

Philip Haydn-Slater has been a director of HD Capital for over 5 years and has worked throughout his 36-year career within institutional sales for a number of well-known financial institutions. Prior to HD Capital he spent eight years as Head of Corporate Broking at WH Ireland Ltd in their London office. There he was responsible for originating and managing the sales process for a significant number of transactions, including flotations and secondary placings for corporate clients on AIM and other international exchanges. Philip’s expertise was mainly focused on deals pertaining to the extractive industries and he continues to maintain a focus on oil & gas and mining for HD Capital. During his career, Philip has worked in both London and Sydney for financial organisations that include ABN Amro, Bankers Trust, James Capel & Co and Bain Securities (Deutsche Bank) Sydney.

The Capital Structure of Saggasco Limited following above shareholder approval and transaction close will be as follows:

Current Saggasco Shares: ~130 million

- 3c options: ~8.7 million Expire Sept 30, 2017
 - 10c Options: 11 million Expire Sept 30, 2019
 - 25c Options: 0.5 million Expire Dec 31, 2016
- SGC shares to be issued to Peregrine shareholders: 32 million SGC shares

Total SGC Shares on issue after approval of the Peregrine acquisition: ~162.1 Million

Saggasco’s Managing Director Gary Jeffery commented: “This transaction adds considerable value to Saggasco as it gives us majority Working Interest and Operatorship of two very significant and drill-ready multi-Tcf conventional natural gas prospects in California.”

“Now that we have control of the drilling of these very compelling conventional natural gas prospects, we are 100% focused on drilling the +1 Tcf gas Dempsey-1 prospect as soon as possible, with the Company targeting early 2017 for spudding. Options will also be considered for the Alvares Prospect which has a best-estimate Recoverable Prospective Resources 2.4 Tcf gas.”

“This transaction significantly widens SGC’s funding options for the planned drilling of the Dempsey-1 well, and we are in advanced discussions with a number of parties interested in farming in or funding the drilling of Dempsey and also Alvares.”

“We look forward to welcoming our new shareholders to Sacgasco and Philip Haydn-Slater to the SGC Board. We expect Philip will significantly assist in increasing Sacgasco’s visibility in the London capital markets.”

Mr Jeffery added that the Company continues to advance activities around its 147,000-acre Area of Mutual Interest (AMI) ground in the Sacramento Basin in which it recently farmed out a 14% Working Interest in the AMI to privately owned Bombora Natural Energy Pty Ltd. The AMI, which is separate from the Dempsey and Alvares prospects, holds a large number of multi-Tcf natural gas targets and can also deliver significant value to SGC. The Company anticipates that new leases over some of the AMI will be secured shortly.

“Our shareholders are getting exposure to multiple avenues where we can unlock significant value. We can deliver value through leasing new land, drilling large TCF-scale targets such as Dempsey and Alvares, and acquiring more production. Sacgasco is now poised for considerable growth.”

The Company looks forward to providing shareholders with further updates in the near term as funding discussions and development strategies are progressed.



Fig 1: Location of SGC Sacramento Basin Projects

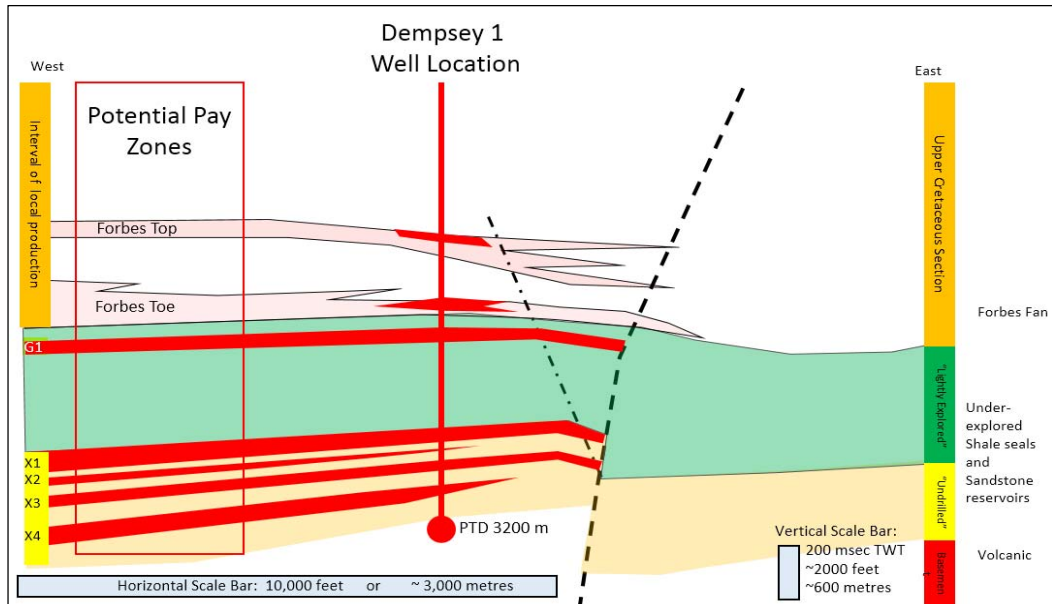


Fig 2: Saggasco's Multi-reservoir Dempsey Conventional Gas Prospect

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

SACGASCO LIMITED

ABN

83 114 061 433

Quarter ended ("current quarter")

30 SEPTEMBER 2016

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	-	51
1.2 Payments for		
(a) exploration & evaluation	(78)	(272)
(b) development	-	-
(c) production	-	-
(d) staff costs	(5)	(12)
(e) administration and corporate costs	(29)	(72)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	100	100
1.9 Net cash from / (used in) operating activities	(12)	(205)

1.8 – Advance on JV cash calls

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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	377	377
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(5)
3.5	Proceeds from borrowings	-	157
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	377	529

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	30	71
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(12)	(205)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	377	529
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	394	394

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	395	30
5.2 Call deposits	-	-
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)	395	30

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

2

-

Includes salaries and fees paid to directors of the company.

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

Mining exploration entity and oil and gas exploration entity quarterly report

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	100	100
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.		

Gary Jeffery, a director of the company, has provided the company with a loan of \$100,000. The loan is unsecured with interest payable at 10% per annum.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	120
9.2 Development	-
9.3 Production	-
9.4 Staff costs	41
9.5 Administration and corporate costs	78
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	239

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	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A			

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: 31 October 2016

Print name: David M McArthur

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.