ABOUT

PepinNini Minerals Limited is a diversified ASX listed Exploration Company focused on developing and discovering major new mineral deposits. The Company has secured strategically located exploration tenements in the Musgrave Province of South Australia and a portfolio of prospective exploration tenements has been established in Argentina with targets of Lithium, Copper and Gold.

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ASX RELEASE 30 January 2017 ASX:**PNN**

DECEMBER 2016 QUARTER ACTIVITIES AND CASH FLOW REPORTS

- **Argentine Lithium Brine Project -** PepinNini(PNN) has increased tenure to thirteen mining leases(mina) over 32,665ha in Salta Province, Argentina considered prospective for lithium brine and located in the Lithium Triangle of South America.
- Geophysical survey traverses using vertical electrical soundings (VES) to test for the presence of brine bearing aquifers have been completed across PNN's tenure at Salar de Pular, Salar de Pocitos, Salar de Arizaro and the majority of Salinas Grandes. Surveys carried out by a geophysical contractor experienced in the region and hydrogeology.
- Preliminary geophysical results indicate the potential for conductive layers of sub-surface brine bearing aquifers to occur at shallow depths beneath all traverse lines, with indications at Salar Pocitos of aquifers extending down to 200m depth.
- Initial results from shallow brine samples from Salar de Pular indicate elevated levels of lithium in some of the samples close to the surface.
- **Collaborative AEM Project (Central Musgrave,SA) -** The PNN/CSIRO/SA DSD regional and infill airborne electromagnetic survey acquisition has been completed and processing of the data is progressing. Interpretation of the data has identified a number of Tier 2 & 3 targets at Mt Caroline (EL5220) and Ironwood Bore (ELA 197/15).

Project Locations

Salta Province Projects

PNN's wholly owned Argentine entity PepinNini SA has increased its land holding to thirteen mining licences (*mina*) totalling 32,665 hectares in the western part of the Salta Province of NW Argentina after acquiring two additional properties at Salar de Cauchari and one at Salinas Grandes. The properties are considered prospective for lithium brine aquifers associated with *Salars* (Salt lakes). In addition one small property under application at Pastos Grandes was sold to a competing applicant for US$20,000. A second small mina (Valle Blanco 1) located 70km south west of Salta City initially acquired for rare earth elements such as cerium, lanthanum and scandium was surrendered after a technical and logistical review by the local geological team.

Table 1: PepinNini SA Lithium Project Mining Leases (Mina)

Salar	Mina	Area (hectares)*	Work Program
Salar de Pular	Sulfa 1	657	Geophysics (VES), Reconnaissance sampling, planned Drilling
Salinas Grandes	Luxemburgo	2,495	Geophysics (VES), planned Drilling
Salinas Grandes	Salinita Norte II	3,001	Geophysics (VES), planned Drilling
Salinas Grandes	Lidia I	3,228	Geophysics (VES), planned Drilling
Salinas Grandes	Lidia II	2,719	Geophysics (VES), planned Drilling
Salinas Grandes	Lidia III	3,500	Community engagement for Geophysics (VES)
Salinas Grandes	Lidia V	2,989	Community engagement for Geophysics (VES)
Salar de Arizaro	Ariza sur 1	3,004	Geophysics (VES), planned Drilling
Salar del Rincon	Villanovena 1	1,586	Pending Field recon for Geophysics (VES)
Salar Pocitos	Tabapocitos 02	2,970	Geophysics (VES) , Reconnaissance sampling
Salar Pocitos	Pocitos II	3,000	Geophysics (VES), planned Drilling
Salar de Cauchari	Guayos II	1,610	Pending Field recon for Geophysics (VES)
Salar de Cauchari	Guayos III	1,906	Pending Field recon for Geophysics (VES)
Total		**32,665**	
Salar Gallegos	Nico 1	196	*Technical review - to be relinquished*
Pastos Grandes	*Papadopoulos XXXII*	*301*	*Sold*
** 100hectares = 1sqkm*			

The projects being developed all occur within the recognised "Lithium Triangle" which covers parts of Argentina, Chile and Bolivia. Figure 1 shows a location of the lithium brine projects and recent reconnaissance activities.

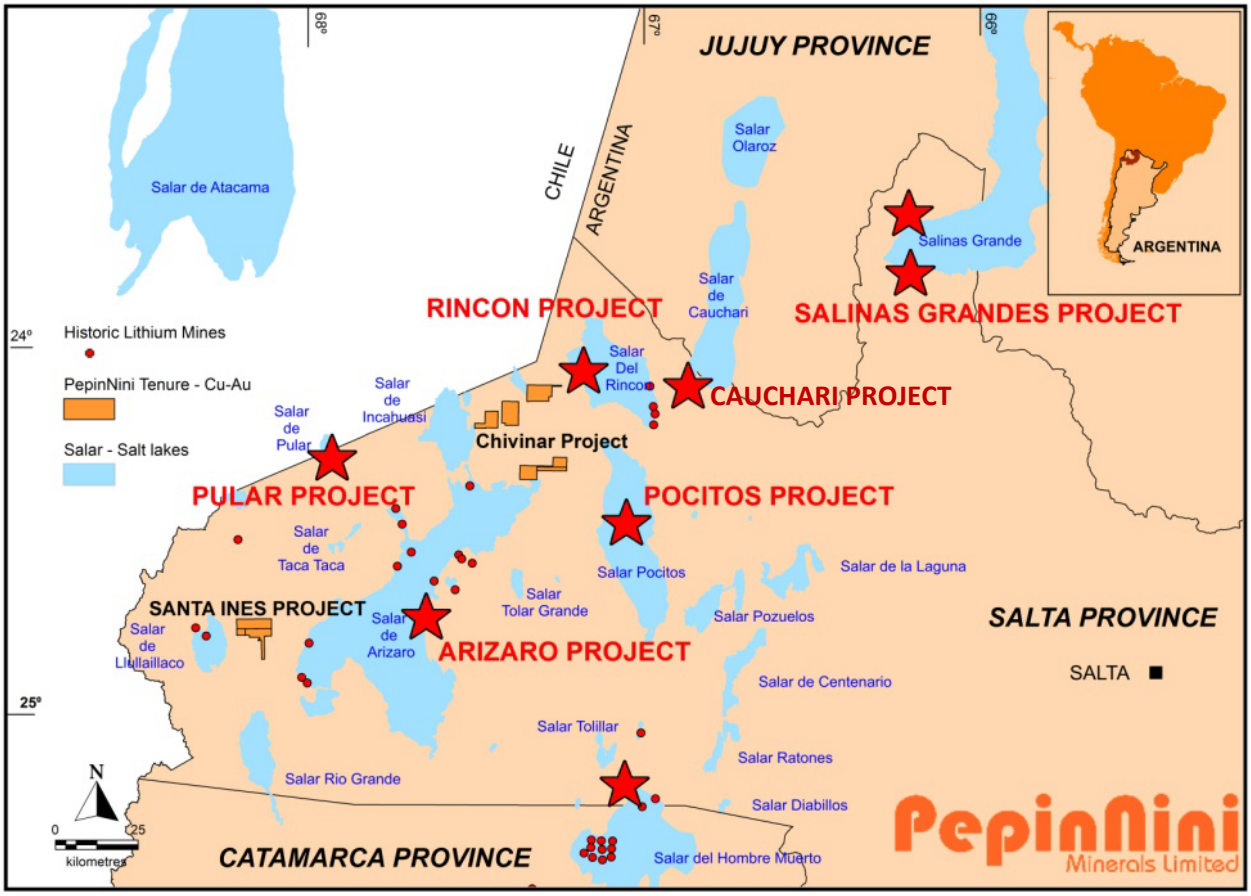

Figure 1 - Lithium Project - Salta Province, Argentina.

The thirteen lithium brine minas are situated within seven different salar environments in the high Puna region of Salta Province. The Puna area is well serviced by infrastructure as demonstrated and the company is continuing to expand its foothold across areas prospective for lithium brines with an aim to identify lithium deposits suitable for production over the medium term.

The company has established a small exploration team in Salta city that comprises Hydro geological, technical, and logistical skills and experience with lithium brine operations and exploration in the region. The team has overseen the engagement of geophysical contractors (*Tecnologia y Recursos*) to undertake Vertical Electronic Sounding (VES) survey traverses across the company's properties at the Pular, Arizaro, Pocitos, and Salinas Grandes Projects (*Figure 2*). The surveys are testing for the occurrence of brine bearing aquifers.

Figure 2 – VES Survey Salar Pocitos, Salta, Argentina

Full assessment and interpretation of the survey traverse are awaited from the geophysical consultant however a preliminary cross section generated from the interpretation of the VES survey across *mina* Tabapocitos 02 on the

western *side of* Salar Pocitos indicates conductive layers at shallow depths with thickness of 175m (*Figure 3*). The conductive layers are interpreted as saline aquifer layers with potential to contain lithium-bearing brines. The survey detects high conductivity/low resistivity layers below the surface of the salars.

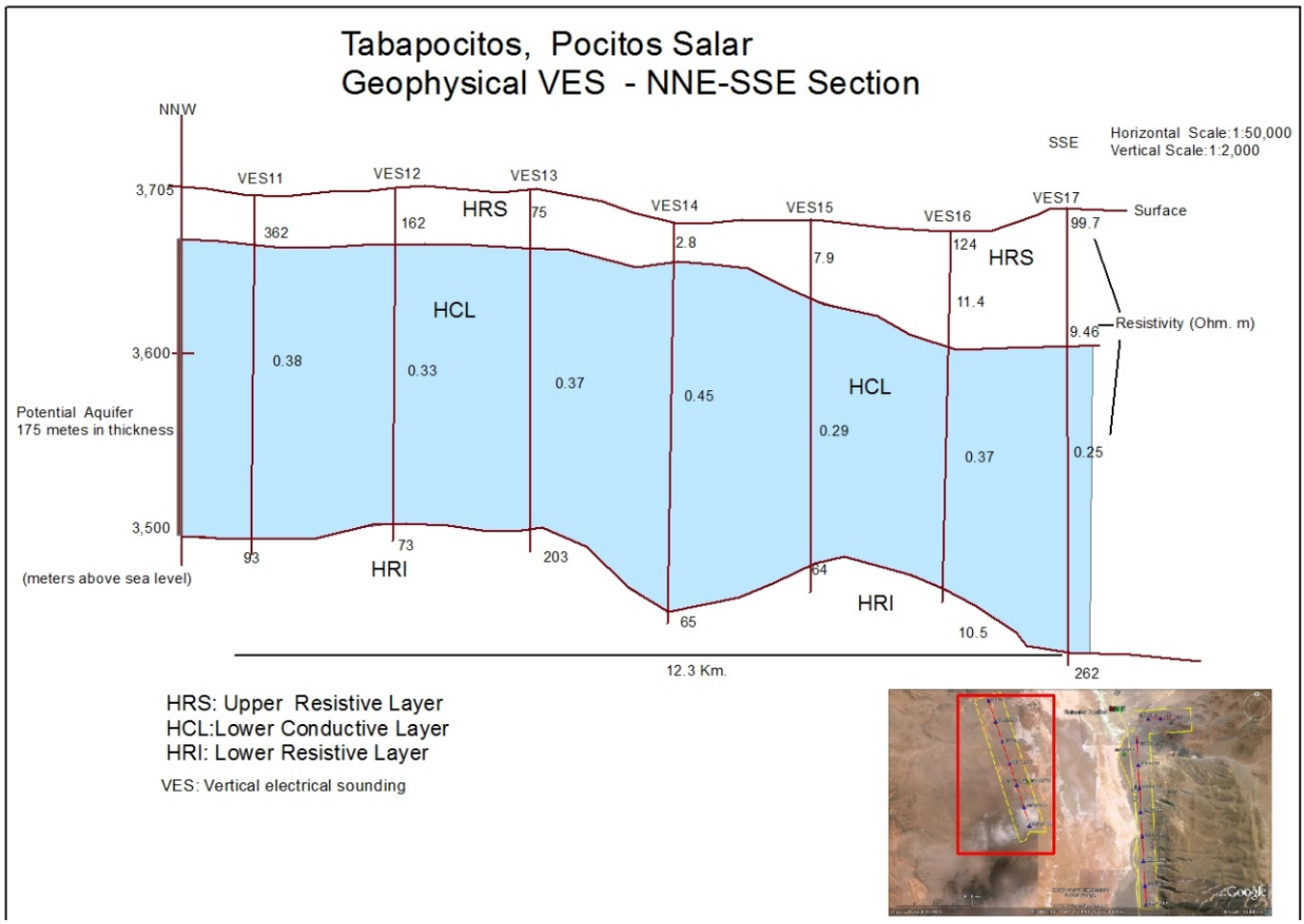

Figure 3 – VES Survey Profile Cross-section Salar Pocitos Mina Tabapocitos 02

Geophysical surveying has been completed across the Pular, Pocitos and Arizaro Project *mina* (Table 1). Most traverses have been completed at the Salinas Grandes Project however surveying across one of the mina (Lidia III) requires additional local community approval which is currently being finalised through community engagement.

Preliminary samples were collected during a reconnaissance trip in September 2016, with the objective of identifying lithium bearing brine from surface samples. A small number of samples were collected where possible within 2 metres of the surface from the Salar de Pular and Salar Pocitos licences using a hand auger (figure 4). Results from Salar de Pular indicated Lithium bearing brines(reported ASX:19 Dec 16) Previous shallow brine samples collected from Salar de Pular to the north of the PNN lease (*samples collected in 2011 by others; but not validated by PNN*) showed lithium values as high as 257 mg/L. Surface sample locations are shown in Figure 5.

Figure 4 – Reconnaissance brine sampling at Pocitos and Pular Projects

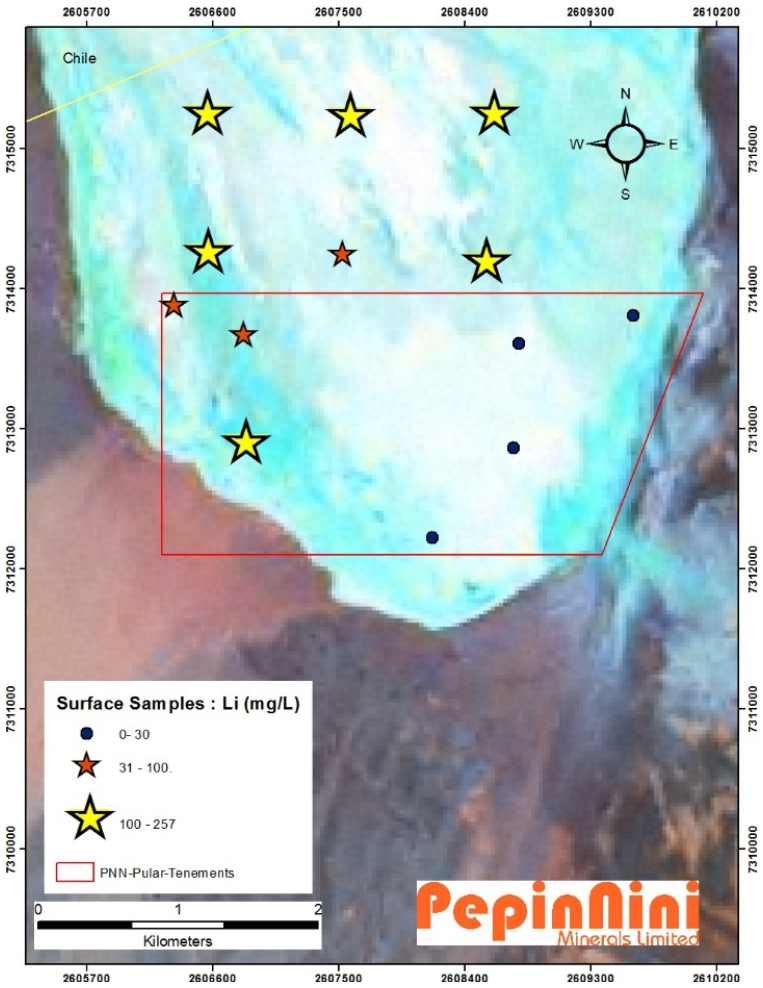

Figure 5 Salar de Pular Sample Location

Reconnaissance of the project sites combined with geophysical results confirm that drilling to test aquifers at depth will be required and additional VES surveys will be carried out at the Cauchari and Rincon Projects not surveyed in 2016.

Planning and submission of environmental approvals for sub-surface aquifer drilling based on the VES results is underway. The company intends to advance groundwater (brine) sampling, drilling, core and groundwater pumping analysis as rapidly as possible to provide information on the hydrogeologic properties of the aquifers followed by down-hole geophysics, aquifer testing for porosity and permeability, testing for aquifer flow and recharge rates, and resource estimation where warranted. Sampling will be conducted in accordance with CIM (Canadian Institute of Mines) guidelines for brine resource evaluation and in accordance with JORC 2012 guidelines, with an appropriate QAQC program for ensuring accuracy and repeatability of the analytical results. PepinNini SA has engaged Alex Stewart Laboratories of Mendoza, Argentina as the primary analytical provider. The laboratory has extensive experience with lithium brine analyses and is certified under ISO 17025, and in Alex Stewart's case, specifically for determination of lithium and potassium in liquid brines by use of ICP-OES.

The company has been exploring in the Salta Province of NW Argentina since 2010 and continues to hold a portfolio of properties covering the Santa Ines and Chivinar Copper Gold Projects.

Musgrave Province Projects

PNN's 100% Musgrave Project includes 8 exploration licence applications and 2 granted exploration licences in the name of NiCul Minerals Ltd (NCL) a wholly owned subsidiary of the company. The tenure covers approximately 14,004 km^2 of the Musgrave Province within South Australia. In addition to these licences the company is engaged in negotiations regarding an extension to the previous Farm-in Joint Venture with Rio Tinto Exploration over five tenement applications covering 1,216 km^2 (See Figure 6).

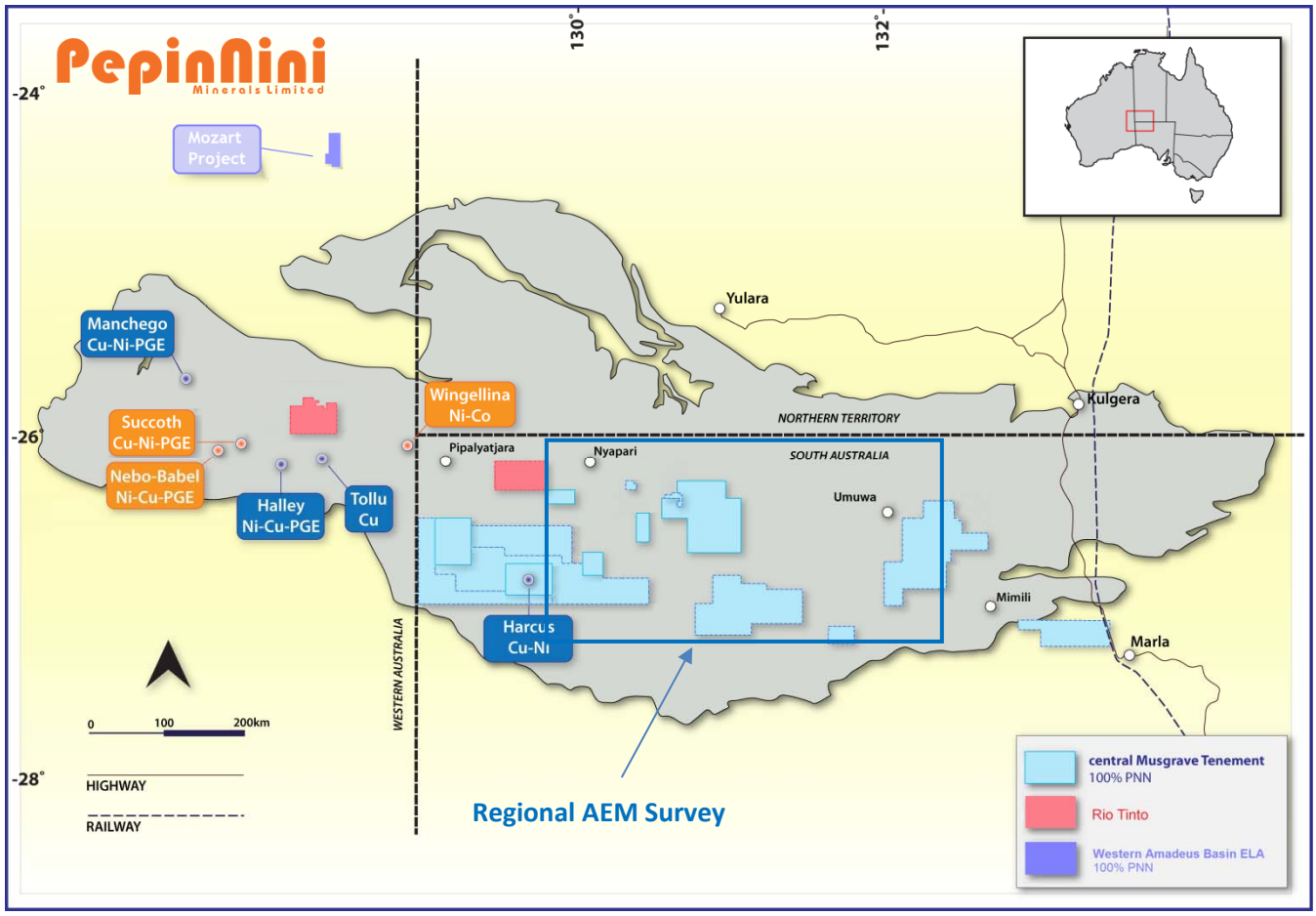

Figure 6: PNN's Musgrave Project locations, South Australia and Western Australia

Caroline Project (South Australia)

Fixed-wing - Tempest® AEM

Helicopter Mounted SkyTEM

The research project between PNN and CSIRO first announced by the company two years ago (ASX:5 May 2014) is well advanced with the acquisition phase of airborne electromagnetic (AEM) geophysical data completed during the quarter. The regional component of the project captured approximately 9,250 line kms of broadly spaced AEM data across PNN tenements as part of a larger survey covering approximately 31,000km^2. The regional acquisition comprises two parts; a western block covered using the fixed-wing Tempest® airborne time-domain electromagnetic (TDEM) survey system flown by Geoscience group CGG, and an adjoining eastern block flown by SkyTEM™ Surveys

using the helicopter mounted SkyTEM312^{FAST} TEM system. This is the first time that electromagnetic surveying systems had been flown across this vast area of the central and eastern Musgrave Province a terrain highly prospective for magmatic Ni-Cu-PGE deposits.

The AEM data acquisition formed part of a government funded initiative between the Minerals Down Under (MDU) division of the Commonwealth Scientific & Industry Research Organisation (CSIRO), Geoscience Australia (GA), The Goyder Institute for Water Research (GI), and the South Australian Department of State Development (DSD – through the PACE Initiative) to facilitate mapping of water resources in the far north west of South Australia.

The research and development (R&D) collaboration project between PNN and CSIRO utilised the regional data collected across the companies tenure to identify targets of interest and to plan further detailed data acquisition within those tenements to best facilitate the identification of responses indicative of buried mineral systems. Twelve target areas were selected for additional AEM data acquisition through this process. Three of the areas, located within the company's Tietkins and Katalina tenure blocks were covered using the fixed wing Tempest® system whilst the remaining nine targets located within the company's Caroline, Anerinna Hills and Ironwood Bore tenure were covered using the SkyTEM516 $^{HIGH\ MOMENT}$ TEM system (*Figure 7).*

No geophysical surveys of this type had previously been carried out over the company's areas which include parts of the company's Caroline (EL5220) Tietkins (EL5735), Katalina (ELA189/2015) Anerinna Hills (118/96) and Ironwood Bore (ELA197/2015) tenement blocks.

The airborne electromagnetic techniques can potentially detect responses indicative of buried massive or semi-massive nickel-copper-cobalt and PGE sulphide accumulations. The preliminary infill data has been processed to identify targets worthy of additional investigation and a number of intriguing responses have been identified which will require additional assessment. No Tier-1 conductivity responses were identified in the preliminary data set supplied. The final processed data is currently being assessed to confirm the quality of those conductivity targets that have been recognised to establish what on-ground follow up exploration activity might be warranted. Initial interpretations suggest a number of Tier 2 and 3 targets do occur within the Caroline EL5220 and Ironwood Bore ELA197/15 blocks. Delineation of these targets could suggest masked accumulations of Ni-Cu massive sulphides worthy of follow up ground EM and or vacuum drilling, and diamond drilling.

Scheduled heritage clearance survey work to facilitate ground access to the southern part of EL5220 Mt Caroline were delayed until March 2017.

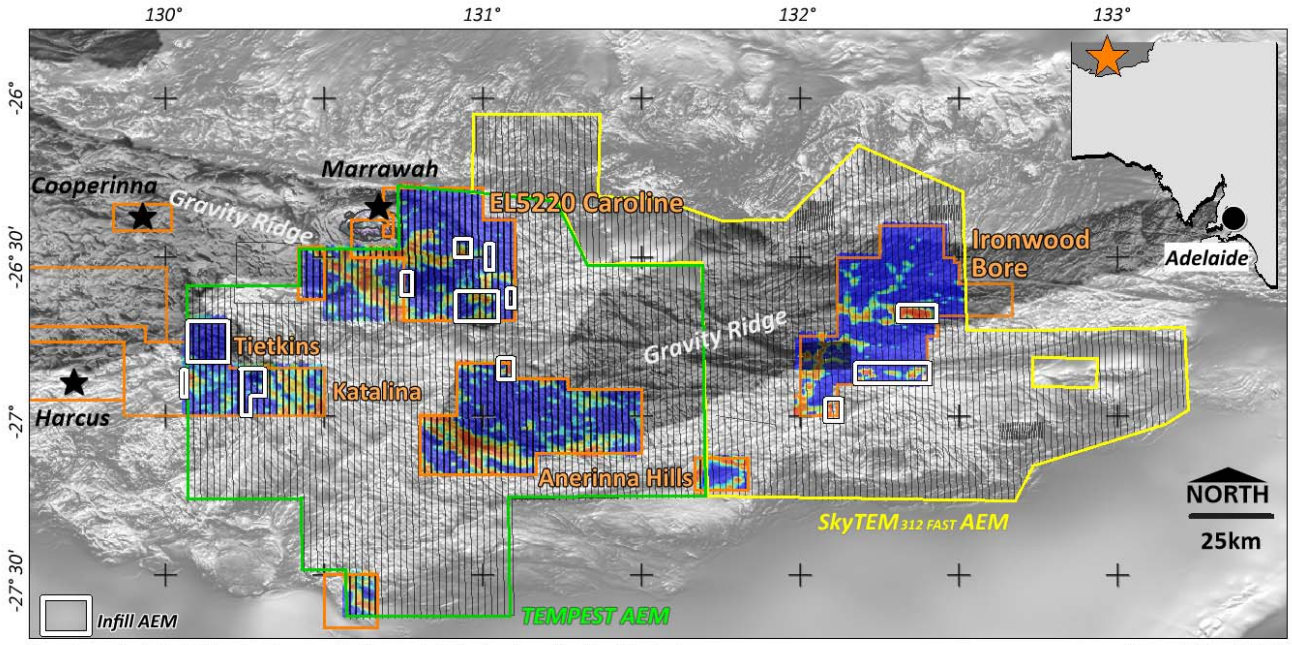

Figure 7 : Airborne Electromagnetic Survey Areas - central Musgrave Region South Australia

EL5220 'Mt Caroline' – Fowler Target:

Mt Caroline EL5220 contains four intriguing anomalies that have been identified. The most promising of these is the "Fowler" target based on its distinct negative (remanent) magnetic anomaly similar to Mt Harcus Intrusion (Giles Complex) known to contain minor Ni-Cu mineralization, coincident late time conductivity anomalism within AEM data, proximal to favourable structural setting, and a morphology suggestive of a chonolith feeder-dyke similar to the Nebo-Babel Ni-Cu mineralization style (figures 8-9).

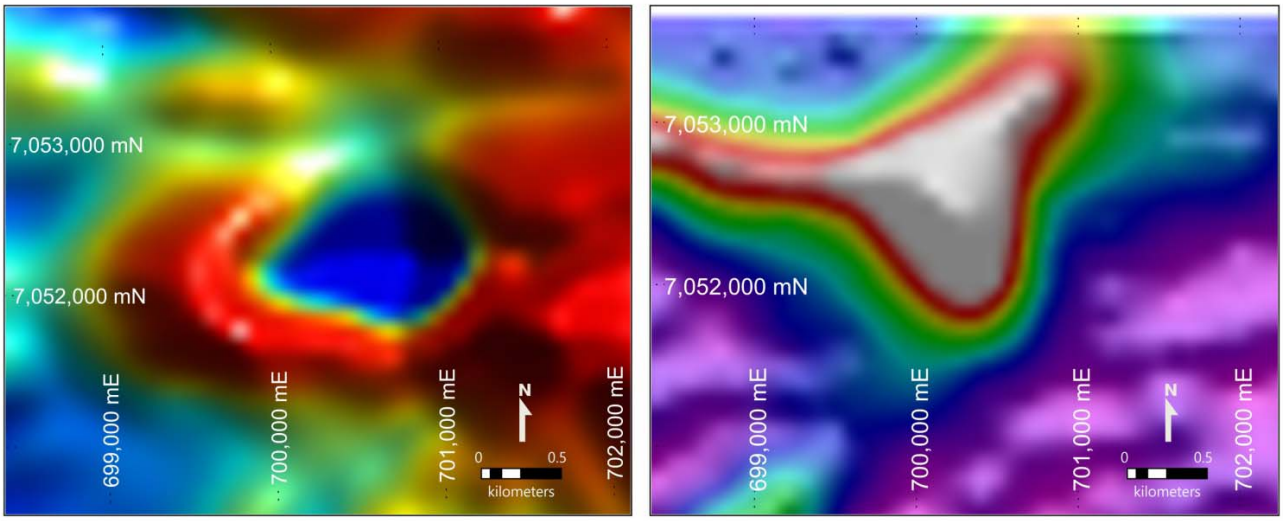

Figure 8: Fowler Target – a) Magnetic TMI image, and b) AEM SkyTEM [516] image (Z component Channel 35)

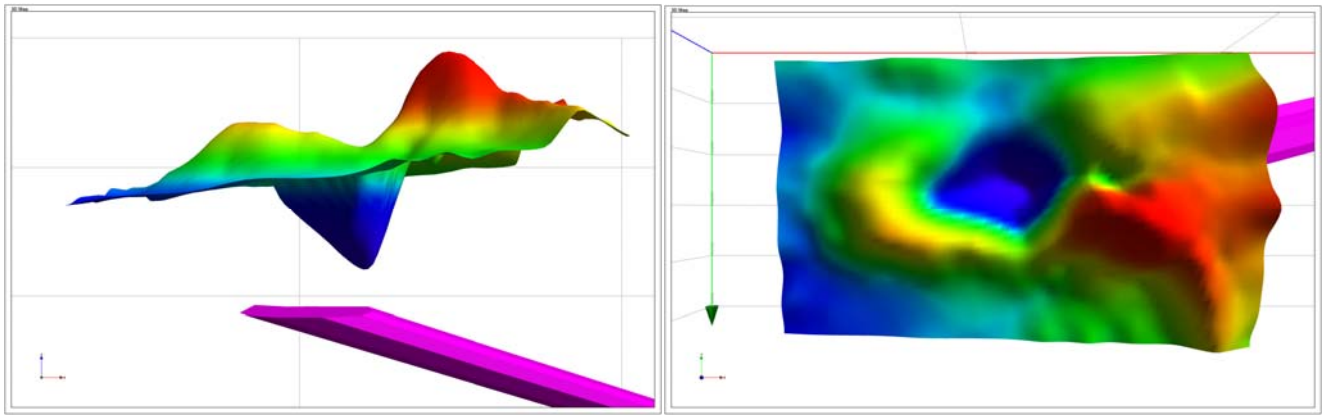

Figure 9: Chonolith Model of Fowler target from magnetic data by James Austin, CSIRO; a) Looking north, and b) Looking down.

ELA197/15 Ironwood Bore targets:

The Ironwood Bore application covers two interesting zones (Ironwood Bore and Wintinginna Shear Zone) which contain a number of late-time conductivity features considered worthy of further investigation (Figure 8). The southern area contains conductivity responses that appear to be structurally controlled within the Wintinginna Shear Zone which to the east hosts low-grade mineralization identified by Musgrave Minerals Limited. Gossanous outcrops with coincident soil geochemistry identified at Zarek (Ni-Cu) and Roslin (Zn-Cu) Prospects with low grade copper intercepted in drilling at Ragnar (figure 10). These EM targets potentially represent structurally controlled mineral systems associated with mafic magmatism channelled laterally into the Wintinginna Shear Zone.

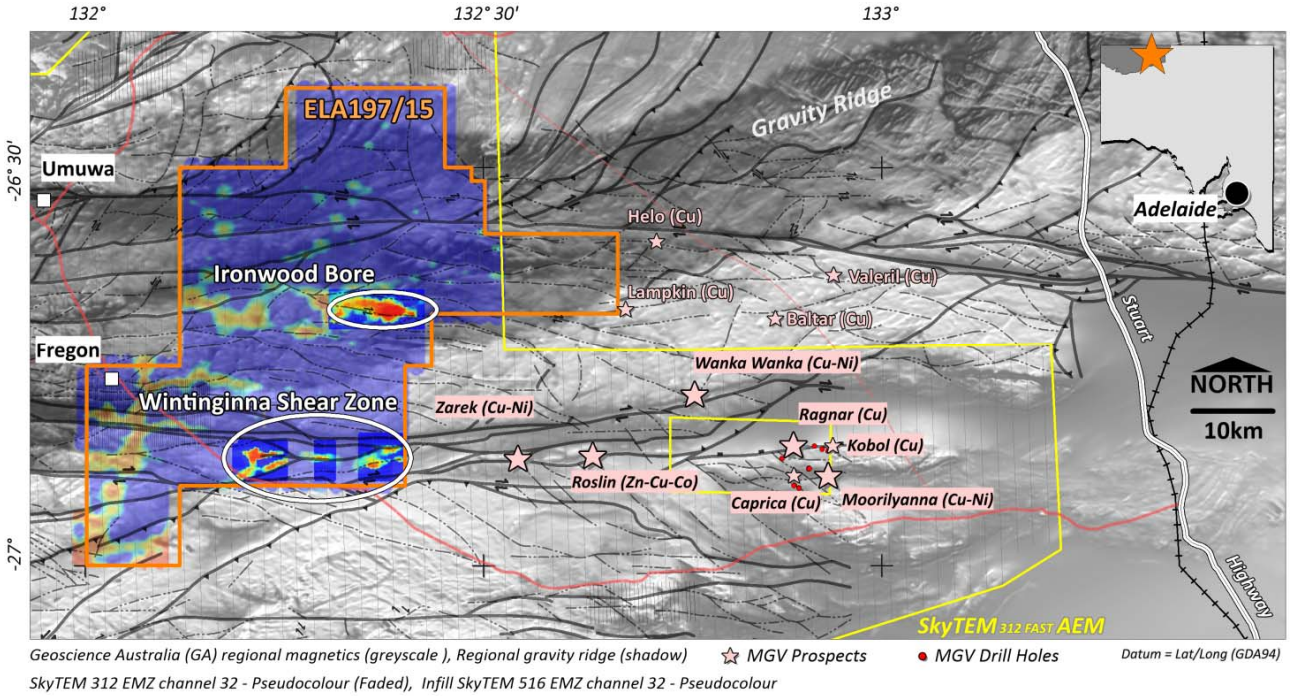

Figure 10: Ironwood Bore AEM anomalies

Woodroffe Joint Venture (South Australia)

Negotiations to extend the farm-in and joint venture agreement between NCL and Rio Tinto Exploration Pty Limited have been on-going and are nearing a final amendment suitable to both parties. The Farm-in and Joint Venture agreement will continue to focus on the exploration of targets considered highly prospective for magmatic nickel-copper-cobalt-PGE sulphide mineralisation.

Western Australia - Western Amadeus Basin

Mozart Diamond/Basemetal Project

Exploration licence application E69/3444 is a 131 km^2 block which covers an untested magnetic target in the West Amadeus Basin (WA). It covers a number of bullseye magnetic anomalies that could represent kimberlitic intrusions similar to those being discovered at the Webb Diamond JV Project (Geocrystal - Meteroric Resources) located approximately 200km north where some 51 kimberlitic bodies have been confirmed to date and where numerous microdiamonds have been recovered in surface samples. Mozart is also located 50km east of the historical surface microdiamond occurrence at Mount Destruction. The project lies within Ngaanyatjarra Aboriginal lands, and is located approximately 20km west of the Tjukurla community. Graded tracks pass within 5km of the anomaly and so access to the site is logistically feasible.

Grant of licence which is anticipated to occur by the end of the March quarter 2017.

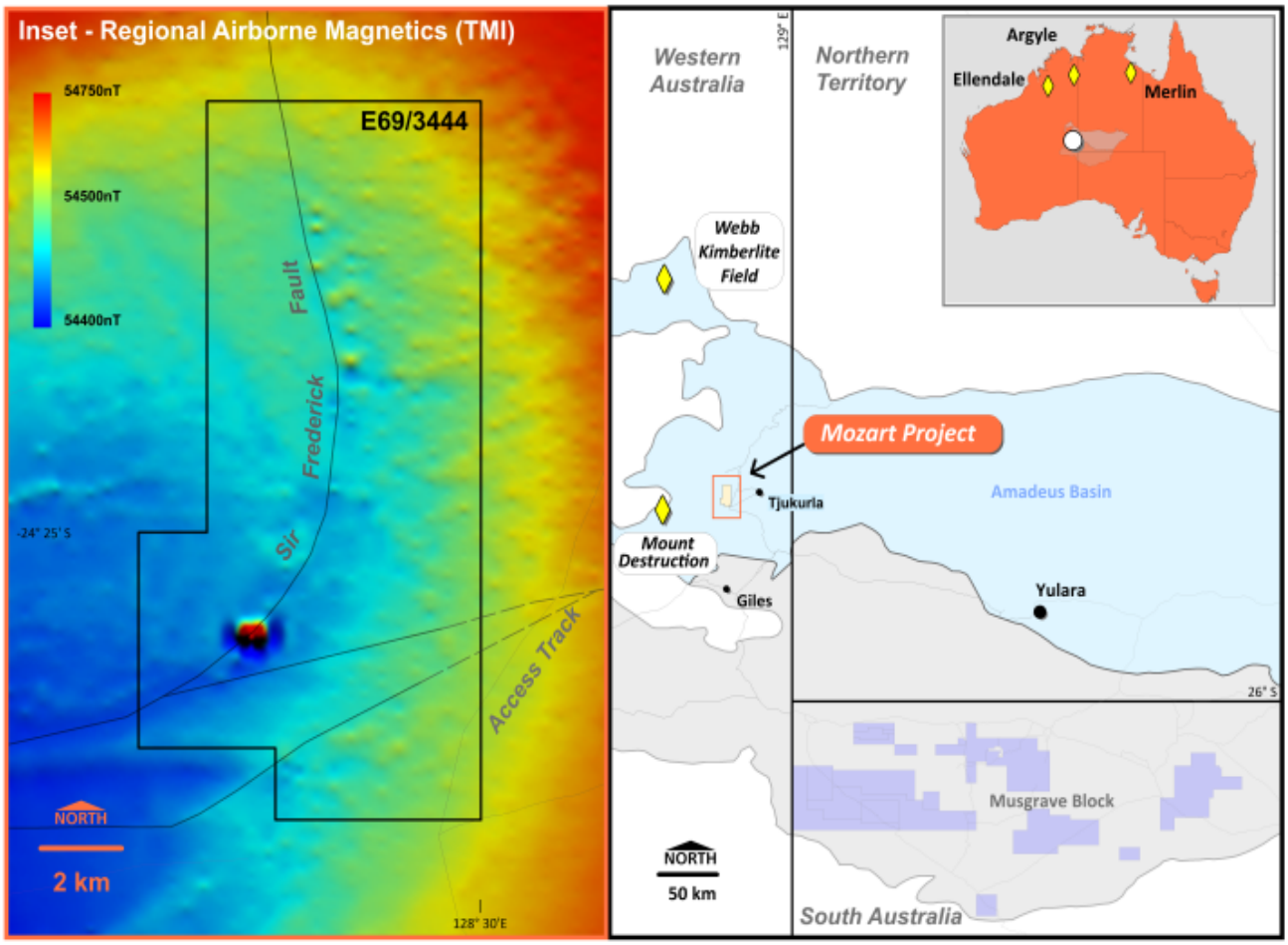

Figure 11 : Mozart Diamond Project - West Amadeus Basin (Western Australia)

South Australia - Gawler Ranges (Eyre Peninsula)

Toondulya Bluff Gold Project

The Toondulya Bluff (EL5897) exploration licence located approximately 100km north east of Streaky Bay, on the Eyre Peninsula, South Australia (*Figure 12*) was granted on 26 November 2016.

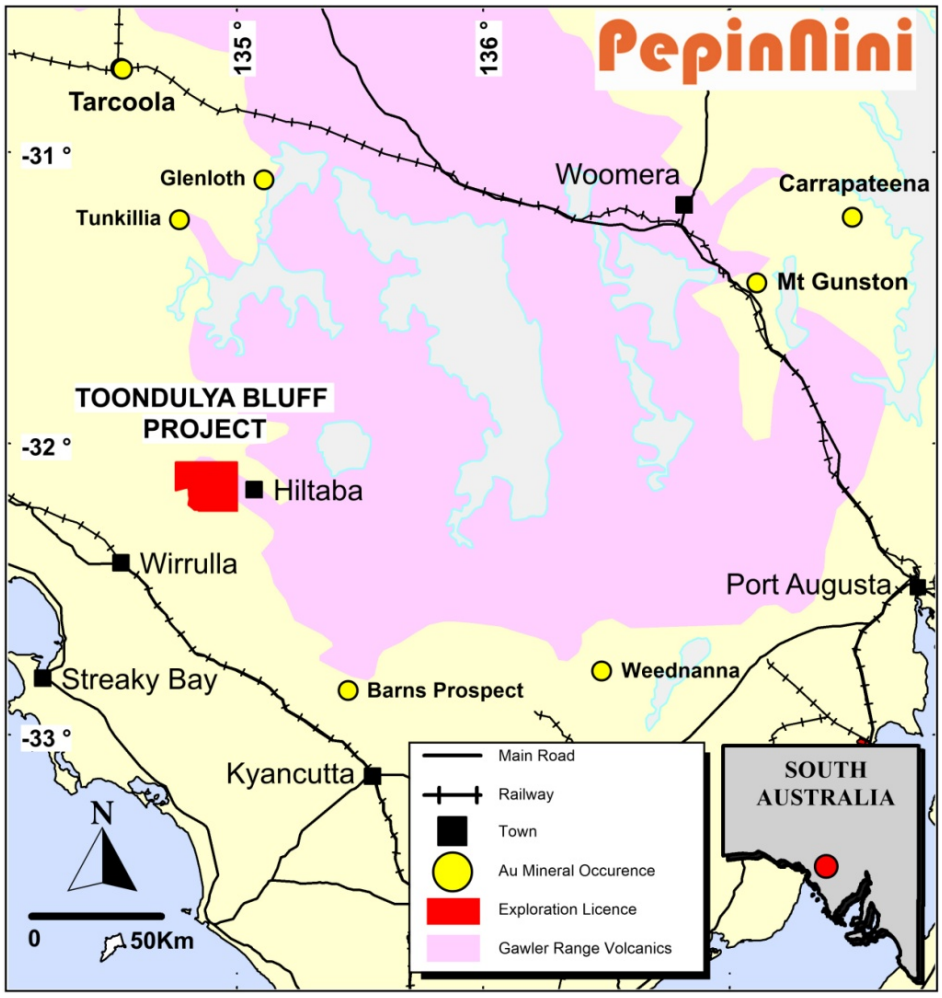

Figure 12: Location of Toondulya Bluff Gold Project South Australia.

EL5897 lies within the Proterozoic gold province of the central Gawler Craton along the margin of the Gawler Range Volcanics (GRV) where Hiltaba Suite granitoids intrude older rocks of the Gawler Craton, hosting several gold and silver deposits including Tarcoola, Glenloth, Tunkillia, Paris and Barns (*figure 13).* The tenure covers the southern extension of the highly prospective Yalbrinda Shear Zone which to the north is known to host a number of mineral occurrences including the Tunkillia Deposit previously reported to contain a resource estimate of 558,000 ounces of gold and 1.48 million ounces of silver (WPG ASX 28/10/16).

Historic gold exploration over the tenement area included dispersed calcrete sampling with a maximum result of 39ppb Au, shallow aircore drilling (during the 1990s) with maximum results up to 980 ppb Au, airborne magnetic surveying, and gravity surveying. PNN has identified three anomalous gold-in-calcrete zones from this historic data which appear poorly tested and are targets for further investigation (*Figure 14*)

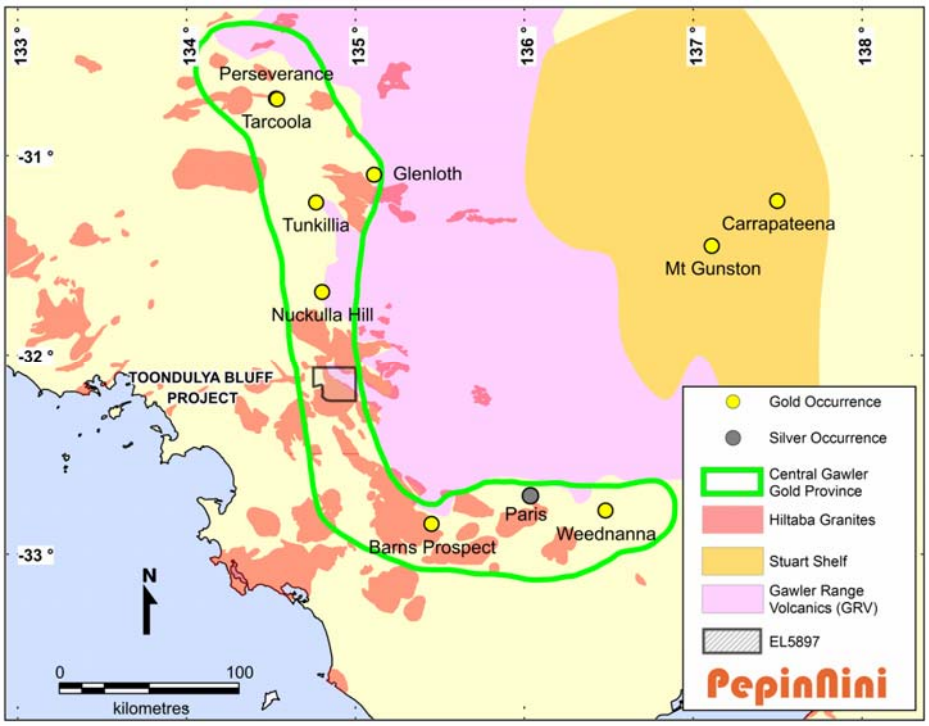

Figure 13: Location of Toondulya Bluff in respect to the Central Gawler Gold Province.

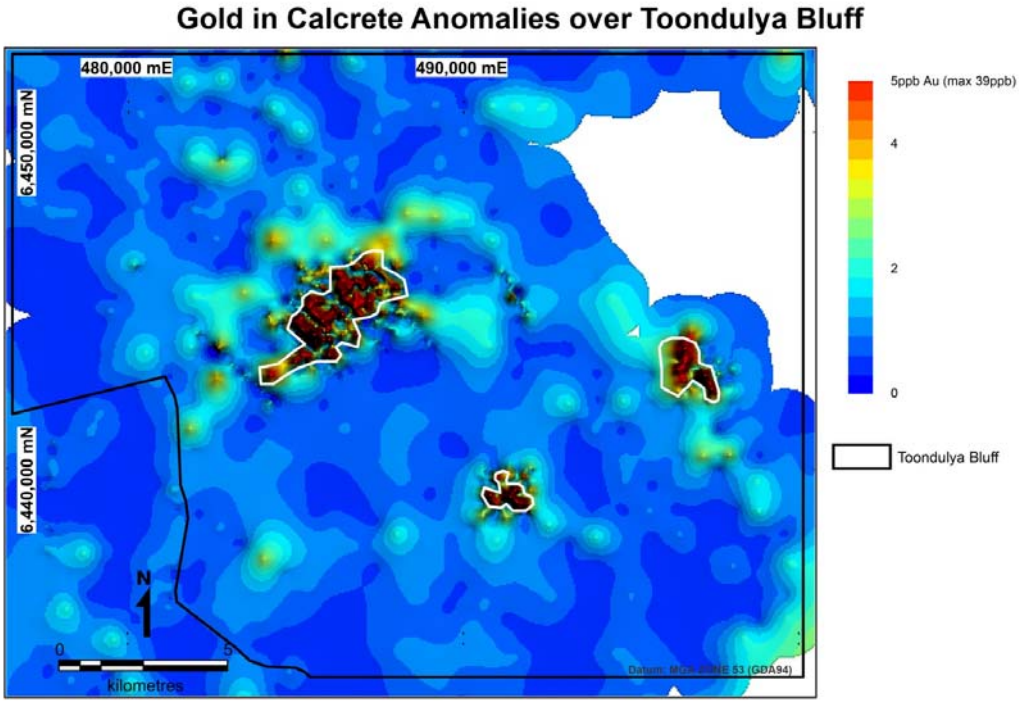

Figure 13: Toondulya Bluff - gridded image of 1990s gold-in-calcrete results

Project Generation

PNN has continued to seek gold, base metal or lithium brine opportunities that would add value to the company's project portfolio in Australia and Argentina.

TENEMENT SCHEDULE

Australia

Tenement	Tenement Name	Area Km^2	JV	PepinNini Interest	Grant Date
South Australia					
EL 5735	Mt Harcus	1,607		100%	25/10/10
EL 5220	Mt Caroline	1,918		100%	25/2/13
ELA 118/96	Anerinna Hills	2,415		100%	application
ELA 185/96	Willugudinna	823		100%	application
ELA 367/09	Mt Caroline West	46		100%	application
ELA 368/09	Hanging Knoll	34		100%	application
ELA 189/15	Katalina	2,360		100%	application
ELA 190/15	Mt Agnes	1,342		100%	application
ELA 191/15	Krewinkel Hill	1,256		100%	application
ELA 197/15	Ironwood Bore	2,202		100%	application
ELA 211/15 - formerly EX491	Tjintalka	184	JV02	tbc *	application
ELA 212/15 - formerly EX491	Kapura	160	JV02	tbc *	application
ELA 213/15 - formerly EX278	Jalukana	234	JV02	tbc *	application
ELA 214/15 - formerly EX278	Tjalukana	37	JV02	tbc *	application
EL5897	Toondulya Bluff	390		100%	25/11/16
Western Australia					
E69/3400	Morgan Range	601	JV02	tbc *	application
E69/3444	Mozart	131		100%	application
Totals		15,739			

** PNN/NCL interest pending finalisation and execution of JV agreement*

Argentina

	Tenement	Type	Project	Application	Granted	Applied Area Ha	Title Holder
Cu-Au	Santa Ines IV	*Mina*	Chivinar	25-Jun-12	10-Sep-13	3,500	PNN SA 100%
Cu-Au	Santa Ines V	*Mina*	Chivinar	25-Jun-12	10-Sep-14	3,598	PNN SA 100%
Cu-Au	Santa Ines VI	*Mina*	Chivinar	26-Jun-12	21-Nov-13	3,500	PNN SA 100%
Cu-Au	Santa Ines IX	*Mina*	Chivinar	30-Jul-13	20-Aug-14	3,417	PNN SA 100%
Cu-Au	*Mina* Santa Ines	*Mina*	Santa Ines	27-Sep-10	20-Sep-11	18	PNN SA 100%
Cu-Au	Santa Ines VIII	*Mina*	Santa Ines	18-Jul-13	28-Aug-14	3,000	PNN SA 100%
Cu-Au	Santa Ines XII	*Mina*	Santa Ines	11-Oct-14	Not yet	511	PNN SA 100%
Cu-Au	Santa Ines XIII	*Mina*	Santa Ines	11-Oct-14	Not yet	3,311	PNN SA 100%
						19,900	
Li Brine	Sulfa 1	*Mina*	Salar de Pular	2-Jun-16	22-Jun-16	657	PNN SA 100%
Li Brine	Luxemburgo	*Mina*	Salinas Grandes	2-Jun-16	22-Jun-16	2,495	PNN SA 100%
Li Brine	Salinita Norte II	*Mina*	Salinas Grandes	2-Jun-16	22-Jun-16	3,001	PNN SA 100%
Li Brine	Lidia I	*Mina*	Salinas Grandes	9-Aug-16	9-Sept-16	3,228	PNN SA 100%
Li Brine	Lidia II	*Mina*	Salinas Grandes	9-Aug-16	9-Sept-16	2,719	PNN SA 100%
Li Brine	Lidia III	*Mina*	Salinas Grandes	10-Aug-16	9-Sept-16	3,500	PNN SA 100%
Li Brine	Lidia V	*Mina*	Salinas Grandes	17 Jan 17	Not yet	2,989	PNN SA 100%
Li Brine	Ariza sur 1	*Mina*	Salar de Arizaro	2-Jun-16	22-Jun-16	3,004	PNN SA 100%
Li Brine	Villanovena 1	*Mina*	Salina del Rincon	2-Jun-16	22-Jun-16	1,586	PNN SA 100%
Li Brine	Tabapocitos 02	*Mina*	Salar Pocitos	2-Jun-16	22-Jun-16	2,970	PNN SA 100%
Li Brine	Pocitos 11	Mina	Salar Pocitos	17-Aug-16	19-Sept-16	3,000	PNN SA 100%
Li Brine	Guayos II	Mina	Salar de Cauchari	17-Aug-16	19-Sept-16	1,610	PNN SA 100%
Li Brine	Guayos III	Mina	Salar de Cauchari	16-Dec-16	13 Jan 17	1,906	PNN SA 100%
						32,665	
Li Brine	Nico 1	*Mina*	Salar Gallegos	2-Jun-16	22-Jun-16	195.5	To surrender
REE	Valle Blanco 1	*Mina*	Valle Blanco	2-Jun-16	22-Jun-16	1,303	surrendered
Li Brine	Papadopoulos XXXII	*Mina*	Pastos Grandes	12-Oct-16		*301*	sold
Total 21						52,565	

The section on the Salta Lithium project has been reviewed by Mark King Ph.D., P.Geo., F.G.C., Groundwater Insight, Inc, Halifax, Nova Scotia, Canada, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and the Canadian National Instrument 43-101". Mark King consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Phil Clifford BSc MAusIMM. Phil Clifford is the Technical Director of PepinNini Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration 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". Phil Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

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Note: Additional information on PNN Minerals Limited can be found on the website :www.pepinnini.com.au

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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	
PepinNini Minerals Limited	
ABN	**Quarter ended ("current quarter")**
55 101 714 989	December 2016

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(316)	(607)
	(b) development		
	(c) production		
	(d) staff costs	(70)	(164)
	(e) administration and corporate costs	(86)	(177)
1.3	Dividends received (see note 3)		
1.4	Interest received	1	4
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Research and development refunds	212	212
1.8	Other (provide details if material)	2	6
1.9	**Net cash from / (used in) operating activities**	**(257)**	**(726)**

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		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 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	29	29
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**	**29**	**29**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	957
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		
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**	**-**	**957**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	903	415
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(257)	(726)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	29	29
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	957
4.5	Effect of movement in exchange rates on cash held		
4.6	**Cash and cash equivalents at end of period**	**675**	**675**

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	366	144
5.2	Call deposits	309	759
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)**	**675**	**903**

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	105
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

1. Chairman, Managing Director, Administration Director and non-executive directors' Remuneration …..$96,025.11

2. Chairman, Managing Director, Administration Director and non-executive directors' Superannuation $9,122.40

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** *Add notes as necessary for an understanding of the position*	**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.

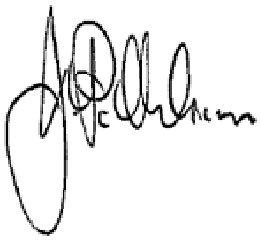
9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	250
9.2	Development	
9.3	Production	
9.4	Staff costs	
9.5	Administration and corporate costs	125
9.6	Other (provide details if material)	
9.7	**Total estimated cash outflows**	**375**

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	File 19667 File 21628 File 22864 Argentina Salta Province	Sold interest in a mining lease application Surrendered Application Unsuccessful	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	File 21196 File 22865 Argentina Salta Province EL5897 South Australia	1 Mining lease(mina) granted 1 mining lease(mina) application EL granted	0%	100%

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: ..... Date: ...30 January 2017..
(~~Director/~~Company secretary)

Print name: .....Justin Nelson.....

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.