NEWS RELEASE | **29 January 2016 | AIM/ASX BKY**

Quarterly Report December 2015

Overview

The Zona 7 deposit has transformed the economics of the Salamanca project and has led to the company aiming to be one of the world's lowest cost producers of uranium.

The Salamanca project benefits from the combination of operating costs at US$15.60 per pound, less than half the current spot uranium price, and having one of the industry's lowest capital costs to first production of US$81 million.

As a result, the project is very robust in today's market conditions with a Net Present Value of US$353.5m (£235.7m) representing £1.31 per share at current contract uranium prices and on an undiluted and unfinanced basis.

Recent high grade intersections have highlighted the likelihood of discovering extensions to the Zona 7 deposit. An exploration programme commencing shortly will follow up these broad, high grade intersections and also target multiple Zona 7 deposits elsewhere on the licence.

A 15% increase in the grade of the Retortillo resource has emphasized the project's robust economics at current uranium prices.

Salamanca is expected to be one of the few projects in the world that commences development in 2016 and will be ideally placed to benefit from the forecast rise in demand for uranium from 2018 onwards.

All major permits are now in place allowing initial infrastructure development to commence in March of this year.

There has been strong interest from financiers, strategic partners and potential off-take partners, several of whom have commenced detailed due diligence reviews following extensive engagement with management during the quarter.

The project is expected to have a very positive social and economic impact on the region, creating over 2,700 valuable direct and indirect jobs in a rural community in Western Spain hard-hit by intergenerational unemployment.

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Zona 7 has transformed the economics of the project lifting the valuation to over £1.31 per share at current uranium prices.

The inclusion of the Zona 7 deposit has lifted the after tax net present value of the project to US$353.5 million (£235.7 million) with an internal rate of return of 54% based on a discount rate of 8% representing around £1.31 per share on an undiluted and unfinanced basis at current contracted uranium prices.

Zona 7 is a shallow, high grade deposit with impressive metallurgical characteristics located within ten kilometres of the proposed processing plant and has increased the mine life from eleven to eighteen years.

Estimated operating costs have decreased from US$24.60 to US$15.60 per pound of uranium produced during steady state operations, making it one of the lowest cost producers in the world once developed.

In addition to the reduction in operating cost, the capital cost to initial production has been reduced from US$95.1 million to US$81.4 million making it one of the lowest capital cost projects of those currently being considered for development.

High grade intersections have highlighted possible depth extensions to the shallow Zona 7 deposit.

After the end of the quarter, broad, high grade intersections have been reported from immediately below the Zona 7 deposit highlighting the likelihood for the discovery of depth extensions to the deposit (refer to announcement 27 January 2016).

Three holes drilled from surface through the deposit to a depth of 220 metres reported grades up to eighteen times higher than the average grade of the resource.

The Zona 7 deposit lies less than five metres below the surface extending to around 100 metres in depth with the bulk of the deposit lying less than 50 metres from surface.

Outstanding intercepts included:

- 48 metres @ 1,018 ppm U_3O_8
  incl. 9 metres @ 1,969 ppm U_3O_8
- 19 metres @ 1,753 ppm U_3O_8
- 14 metres @ 4,481 ppm U_3O_8
  incl. 5 metres @ 11,913 ppm U_3O_8
- 11 metres @ 1,105 ppm U_3O_8
- 7 metres @ 1,438 ppm U_3O_8
- 6 metres @ 3,274 ppm U_3O_8
- 4 metres @ 1,598 ppm U_3O_8

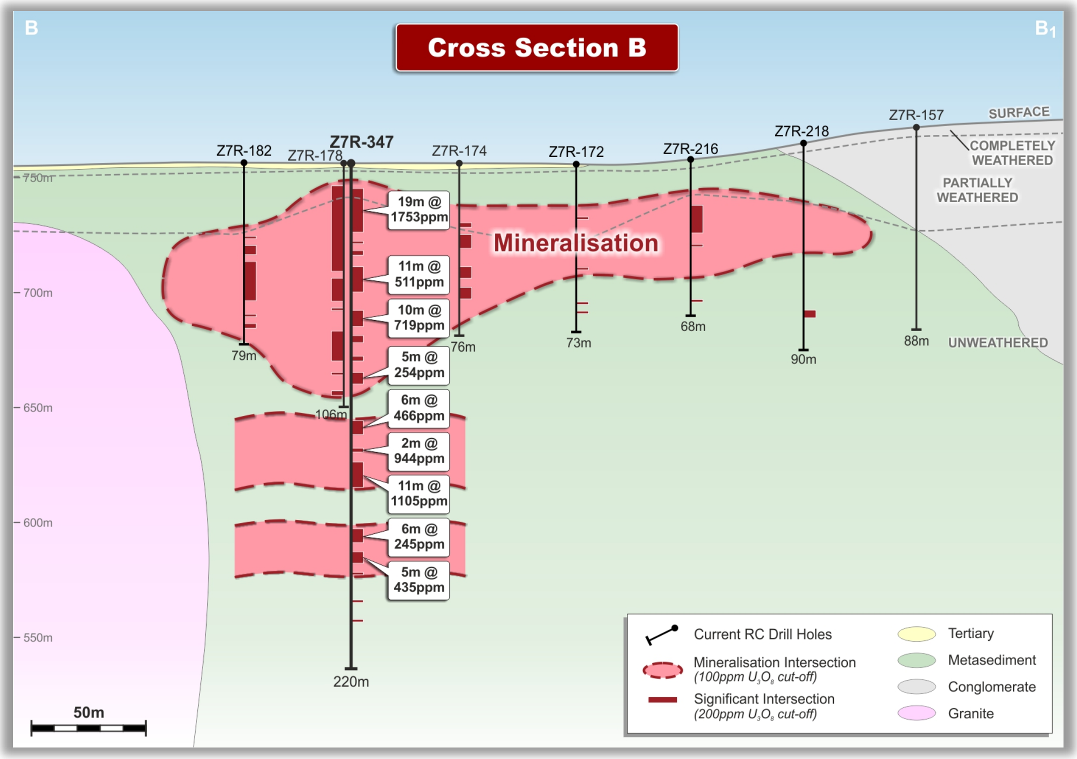

Figure 1: Zona 7 Cross Section

An exploration programme commencing shortly will follow up these broad, high grade intersections and target multiple Zona 7 type deposits elsewhere on the licence.

Given the transformational effect the shallow, high grade Zona 7 deposit has had on the project's already robust economics, intercepts of these widths and grades located immediately below the deposit will be the focus of the company's next drill program with results expected to be released over the next few weeks.

The project is being developed in a historic uranium mining province and studies have reported that the licence area is endowed with considerable exploration potential.

A broader exploration programme aimed at discovering multiple Zona 7 type deposits is being finalised and will commence shortly. The programme will drill test a number of recently generated near surface targets within ten kilometres of the approved location of the proposed processing plant.

Whilst every project is different and there is no guarantee of exploration success there are numerous examples of projects around the world which have been developed with a strong mineral endowment where both the mine lives and production levels have increased over the initial design, in some cases quite substantially, on the back of sustained annual exploration expenditure.

The grade of the Zona 7 deposit is comparable to the world's highest grade open pit mines currently being operated.

An updated Mineral Resource Estimate (MRE) for the Zona 7 deposit reported grades comparable to the world's highest grade open pit mines in operation, with the bulk of the resource lying within fifty metres of the surface.

The high grade, shallow nature of the resource moves the Salamanca project closer to its aim of being one of the world's lowest cost producers of uranium.

The MRE for Zona 7 now stands at 31.4 million pounds of U_3O_8 (*at a cut-off grade of 200 ppm*) including an Indicated resource of 17.1 million tonnes at 735 ppm containing 27.8 million pounds of U_3O_8 (refer to announcement 7 October 2015).

Grade increase at Retortillo emphasizes robust economics at current uranium prices.

An updated MRE for the Retortillo deposit has increased the grade by 15% (refer to announcement 7 January 2016).

Managing Director Paul Atherley commented at the time of the announcement: *"The positive impact this increase in grade is expected to have on the overall economics emphasizes the project's robustness at current uranium prices. The steady state operating costs of US$15.60 per pound are already less than half the current uranium price and with the optimisation studies well underway this very healthy margin is expected to increase."*

Salamanca aims to be one of the world's lowest cost producers.

Early indications from optimisation studies which commenced during the quarter have demonstrated that, whilst the project has benefited from on average a 42% increase in grade from the Zona 7 ore during the first ten years of operation there is room for improvement, particularly in the material handling scheduling, strip ratio, the mining unit rates and the fixed costs associated with grade control drilling and assaying.

The optimisation studies are focussed on reducing the current estimated US$15.60 per pound of uranium produced on as steady state basis, ranking the project amongst the world's lowest cost producers.

The studies are being undertaken by MDM Engineering, a specialist process engineering company which has extensive experience in the design and development of uranium projects and has recently become part of the Amec Foster Wheeler group.

MDM is working in conjunction with major Spanish engineering groups Iberdrola and OHL and a number of specialist local contractors to integrate Zona 7 with existing studies into a definitive feasibility study for finance and offtake purposes.

Activities conducted during the quarter included six metre column testing on representative samples from Zona 7, the completion of resource upgrades for Retortillo and Zona 7 and mine optimisation studies.

All major permits are now in place allowing initial infrastructure development to commence in March.

The company has now received all the European Union, National, Regional and Provincial level approvals required for the initial infrastructure development of the project.

Land acquisition and tendering for initial site works, which include a road deviation and the upgrade of local power lines to service the project, are well advanced. Contracts are expected to be awarded in February/March with first works to commencing shortly thereafter. These initial site works will be financed from existing cash held by the company.

The European Union has issued a favourable report acknowledging that the company has met its obligations to the Euratom agency in relation to the Retortillo and Alameda deposits. Euratom's primary function is to develop nuclear energy and distribute it to its member states.

The report highlights that the project will help to meet European demand for uranium and bolster domestic production by doubling production from current levels.

Creating over 2,700 valuable jobs in a rural community hard-hit by intergenerational unemployment.

The Salamanca project is located in a historic uranium mining area and, as such, there is overwhelming local support for the project, as the community is familiar with the benefits the investment in a project of this magnitude will bring to the region.

Over 19,100 applicants have been received for the first 200 jobs advertised reflecting the intense demand for sustainable jobs in a community hard-hit by inter-generational unemployment and rural desertification.

A skills training program undertaken during the quarter was enthusiastically attended by over 30 locals.

The local community will be given priority for jobs in the construction and operational phases of the project. The workforce will be complemented by a small number of skilled professionals recruited from elsewhere in Spain or abroad.

The workforce is expected to peak at over 450 jobs once full production is achieved. The University of Salamanca has estimated that the company's investment in the project will generate an additional 5.1 indirect jobs for every direct job, making the project one of the largest creators of sustainable employment in a community which has suffered badly from long term unemployment.

Tax advice highlights the exploration and other incentives available for mining companies in Spain which are expected to be highly beneficial to the project.

The company has received detailed advice from Ernst & Young Abogados, SLP, on the taxation arrangements for mining companies in Spain which has highlighted a number of incentives and benefits which are expected to be highly beneficial to the project.

In summary, whilst corporate income tax is in line with most developed economies at 25% the project will benefit from carry forward tax losses which have no time limitation and can offset taxable income by up to 70%.

In addition to this general arrangement there are special incentives for mining companies which include the accelerated depreciation of mining assets, including capitalised expenses from the date of the receipt of the exploitation licence, for a period of ten years and a depletion allowance tax relief.

The depletion allowance tax relief allows for the reduction of annual taxable income by the amount of expenditure in that year on exploration, rehabilitation and restoration of areas affected by mining activities.

The company aims to take advantage of this important incentive by committing substantial annual exploration expenditure with the aim of replacing the uranium produced in that year and thereby maintaining or even increasing the annual production of around 4.5 million pounds per year.

Finally, the project may benefit from a regional government subsidy related to the cost of the construction of the processing plant, which is aimed at generating sustainable employment.

Project economics remain very robust even at current uranium prices.

Based on updated tax advice received during the quarter the net present valuation has been revised to US$764.5 million (£509.7 million) with an internal rate of return of 89% based on a discount rate of 8% and a long term uranium price of US$65 per pound, against the previously reported net present value of US$871.3 million (£580.9 million) with an internal rate of return of 93% based on the same discount rate and long term uranium price.

With expected operating costs at US$15.60 per pound, less than half the current spot uranium price, and with one of the industry's lowest capital costs to first production at US$81 million the project is very robust at current uranium prices, and ideally placed to benefit from the forecast increase in demand.

The project has a Net Present Value of US$353.5m (£235.7m) based on a current term contract price for uranium of US$44 per pound representing £1.31 per share on an undiluted and unfinanced basis.

Strong interest from financiers and strategic partners.

Following the Board's decision to push ahead with the overall development of the project and the recent positive study and permitting announcements, the company continues to receive approaches from potential financiers and strategic partners.

The company is exploring a range of financing options and strategic partnerships with a view to fully funding the project's development whilst minimizing shareholder equity dilution.

A number of the prospective financiers and strategic partners have commenced detailed due diligence reviews with site visits due to commence shortly.

Strong interest from potential off-take partners.

The project is one of the few large scale and low cost uranium mines in the world commencing development in 2016 and a recent visit to Asia has indicated a high level of interest in the project's offtake arrangements and potential financing amongst the main utilities and trading houses.

Management has recently commenced discussions with the major European and US utilities who have also expressed interest in the project.

The general consensus appears to be that whilst uranium prices are expected to remain flat in the near term there are an increasing number of utilities that will be re-contracting offtake from 2018 onwards and the company has commenced discussions with a number of these both in Asia and the US who are looking to enter these commercial arrangements now.

Corporate

Following shareholder approval at the company's Annual General Meeting held on 27 November 2015, the company changed its name to Berkeley Energia Limited.

As at 31 December 2015, Berkeley is in a strong financial position with cash reserves of $8.41 million and no debt.

Mineral Resource Estimate

Salamanca Project Global Mineral Resource Estimate

Deposit (all 100% owned) Name	Resource Category	January 2016 Tonnes (Mt)	U_3O_8 (ppm)	U_3O_8 (Mlbs)
Retortillo	Measured	4.1	498	4.5
	Indicated	11.3	395	9.8
	Inferred	0.2	368	0.2
	Total	***15.6***	***422***	***14.5***
Zona 7	Indicated	17.1	735	27.8
	Inferred	4.9	333	3.6
	Total	***22.1***	***645***	***31.4***
Las Carbas	Inferred	0.6	443	0.6
Cristina	Inferred	0.8	460	0.8
Caridad	Inferred	0.4	382	0.4
Villares	Inferred	0.7	672	1.1
Villares North	Inferred	0.3	388	0.2
Total Retortillo Satellites	***Inferred***	***2.8***	***492***	***3.0***
Alameda	Indicated	20.0	455	20.1
	Inferred	0.7	657	1.0
	Total	***20.7***	***462***	***21.1***
Villar	Inferred	5.0	446	4.9
Alameda Nth Zone 2	Inferred	1.2	472	1.3
Alameda Nth Zone 19	Inferred	1.1	492	1.2
Alameda Nth Zone 21	Inferred	1.8	531	2.1
Total Alameda Satellites	***Inferred***	***9.1***	***472***	***9.5***
Gambuta	***Inferred***	***12.7***	***394***	***11.1***
Salamanca Project	***Measured***	***4.1***	***498***	***4.5***
	Indicated	***48.4***	***540***	***57.5***
	Inferred	***30.5***	***422***	***28.4***
	Total	***83.0***	***495***	***90.5***

All figures are rounded to reflect appropriate levels of confidence. Apparent differences occur due to rounding

Competent Persons Statement

The information in this report that relates to the 2016 Exploration Results for Zona 7 is extracted from the announcement entitled 'High grades intersected immediately below Zona 7 deposit' dated 27 January 2016, which is available to view on Berkeley Energia Limited's ('Berkeley') website at www.berkeleyenergia.com. The information in the original ASX announcement is based on information compiled by Mr Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley has sufficient experience which 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'. Berkeley confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Berkeley 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.

The information in this report that relates to the 2016 Mineral Resources and Exploration Results for Retortillo is extracted from the announcement entitled 'Increase in Retortillo grade expected to boost economics' dated 7 January 2015 which is available to view on Berkeley's website at www.berkeleyenergia.com. The information in the original ASX announcement is based on information compiled by Mr Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley has sufficient experience which 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'. Berkeley confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Berkeley 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.

The information in this report that relates to the 2015 Mineral Resources for Zona 7 is extracted from the announcements entitled 'Increase in Zona 7 grade' dated 7 October 2015 which is available to view on Berkeley's website at www.berkeleyenergia.com. The information in the original ASX announcements is based on information compiled by Mr Malcolm Titley, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Titley is employed by Maja Mining Limited, an independent consulting company. Mr Titley has sufficient experience which 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'. Berkeley confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Berkeley 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.

The information in this report that relates to the Mineral Resources for the Retortillo Satellites, Alameda, Alameda Satellites and the Gambuta deposits (refer to original ASX announcements dated 31 July 2012 and 28 October 2015) is based on information compiled by Mr Craig Gwatkin, who is a Member of The Australasian Institute of Mining and Metallurgy and was an employee of Berkeley at the time of initial disclosure. Mr Gwatkin has sufficient experience which 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Berkeley 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.

The information in this report that relates to the Pre-Feasibility Study is extracted from the announcement entitled 'Zona 7 transforms Salamanca project economics' dated 4 November 2015 which is available to view on Berkeley's website at www.berkeleyenergia.com. The information in the original ASX announcement is based on information compiled by Mr Francisco Bellon, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Mr Bellon is the General Manager Operation for Berkeley and a holder of shares, options and performance rights in Berkeley. Mr Bellon has sufficient experience which 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'. Berkeley confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of the Production Target and related forecast financial information (other than the Net Present Value and Internal Rate of Return Calculations) derived from the Production Target, all material assumptions and technical parameters underpinning the estimates in the relevant original market announcement continue to apply and have not materially changed. Berkeley 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.

The information in this report that relates to the Net Present Value and Internal Rate of Return calculations is based on information compiled by Mr Francisco Bellon, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Mr Bellon is the General Manager Operation for Berkeley and a holder of shares, options and performance rights in Berkeley. Mr Bellon has sufficient experience which 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'. Mr Bellon consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statement

Statements regarding plans with respect to Berkeley's mineral properties are forward-looking statements. There can be no assurance that Berkeley's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Berkeley will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Berkeley's mineral properties.

Appendix 1: Summary of Mining Tenements

As at 31 December 2015, the company had an interest in the following tenements:

Location	Tenement Name	Percentage Interest	Status
Spain			
Salamanca	D.S.R Salamanca 28 (Alameda)	100%	Granted
	D.S.R Salamanca 29 (Villar)	100%	Granted
	E.C. Retortillo-Santidad	100%	Granted
	I.P. Abedules	100%	Granted
	I.P. Abetos	100%	Granted
	I.P. Alcornoques	100%	Granted
	I.P. Alisos	100%	Granted
	I.P. Bardal	100%	Granted
	I.P. Barquilla	100%	Granted
	I.P. Berzosa	100%	Granted
	I.P. Campillo	100%	Granted
	I.P. Castaños 2	100%	Granted
	I.P. Ciervo	100%	Granted
	I.P. Dehesa	100%	Granted
	I.P. El Águlia	100%	Granted
	I.P. Espinera	100%	Granted
	I.P.Halcón	100%	Granted
	I.P. Horcajada	100%	Granted
	I.P. Mailleras	100%	Granted
	I.P. Mimbre	100%	Granted
	I.P. Oñoro	100%	Granted
	I.P. Pedreras	100%	Granted
	I.P. Alimoche	100%	Pending
	I.P. El Vaqueril	100%	Pending
Cáceres			
	I.P. Almendro	100%	Granted
	I.P. Ibor	100%	Granted
	I.P. Olmos	100%	Granted
Badajoz			
	I.P. Don Benito Este – U	100%	Granted
	I.P. Don Benito Este – C	100%	Granted
	I.P. Don Benito Oeste – U	100%	Granted
	I.P. Don Benito Oeste – C	100%	Granted
Ciudad Real			
	I.P. Damkina Fraccion 1	100%	Granted
	I.P. Damkina Fraccion 2	100%	Granted
	I.P. Damkina Fraccion 3	100%	Granted

No tenements were acquired or disposed of during the quarter ended 31 December 2015. There were no changes to beneficial interest in any mining tenements due to Farm-in or Farm-out agreements. No beneficial interest in Farm-in or Farm-out agreements were acquired or disposed during the quarter.

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, 01/05/2013

Name of entity

Berkeley Energy Limited

ABN	Quarter ended ("current quarter")
40 052 468 569	31 December 2015

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(2,399)	(4,328)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(684)	(1,066)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	86	190
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	**(2,997)**	**(5,205)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(12)	(18)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	**(12)**	**(18)**
1.13	Total operating and investing cash flows (carried forward)	(3,009)	(5,223)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(3,009)	(5,223)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	238	238
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	**238**	**238**
	Net increase (decrease) in cash held	**(2,771)**	**(4,985)**
1.20	Cash at beginning of quarter/year to date	11,182	13,395
1.21	Exchange rate adjustments to item 1.20	(1)	-
1.22	**Cash at end of quarter**	**8,410**	**8,410**

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

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(133)
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payments include directors' fees, superannuation and consulting fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Not applicable

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

Not applicable

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	2,500
4.2	Development	-
4.3	Production	-
4.4	Administration	500
	Total	**3,000**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	1,910	1,681
5.2	Deposits at call	6,500	9,500
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**8,410**	**11,182**

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1	**Preference +securities***(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	181,811,323	181,811,323		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	 1,450,000	 1,450,000	 N/A	 N/A
7.5	**+Convertible debt securities***(description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options***(description and conversion factor)*	<u>Options:</u> 5,500,000 3,600,000 3,600,000 <u>Rights:</u> 1,480,000 2,340,000 2,930,000	 - - - - - -	*Exercise price* \$0.45 £0.15 £0.20 - - -	*Expiry date* 30 June 2016 30 June 2018 30 June 2019 30 June 2017 31 December 2018 31 December 2019
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	<u>Options:</u> (500,000) <u>Rights:</u> (830,000)	 - -	*Exercise price* \$0.475 -	*Expiry date* 22 December 2015 30 June 2016
7.10	Expired during quarter	<u>Options:</u> (1,250,000)	 -	*Exercise price* \$0.475	*Expiry date* 22 December 2015
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does /~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: .... Date: **29 January 2016**
(~~Director~~/Company secretary)

Print name: **Dylan Browne**

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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