

**Quarterly Activities Report**  
**Quarter Ended 31 December 2015**

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**Kimsa Orcco Project – Peru**

(Patacancha Tenements – 100% Laconia)

On 20 August 2015 shareholders approved the disposal of the Company's Peruvian mineral interests to Andes Exploration of Peru Numero Dos Sac (**Andes**) and Sallka Uno Y Dos Sac (**Sallka**).

The Peruvian tenement portfolio comprises the Kimsa Orcco Project:

- Patacancha N° 1;
- Patacancha N° 2;
- Patacancha N° 3; and
- Patacancha N° 4.

Further particulars of the disposal can be found in the Company's announcement dated 30 June 2015. The Company is currently working through the final tenement transfer process in Peru.

**701 Mile Project – Precious and Base Metals, Pilbara WA**

(E52/2688 – 80% Laconia: mineral rights excluding manganese and iron and 70% Laconia: manganese and iron rights)

No field work was carried out during the quarter.

**Corporate**

During the quarter, the company completed a non-renounceable entitlement offer of 245,087,553 ordinary fully paid shares, raising an amount of \$490,175 (before costs).

The Company is actively seeking potential new project opportunities, including possible investment opportunities outside of the Company's existing principal activity of mineral exploration. Dependant on the nature and scale of any investment, the Company may be required, pursuant to ASX Listing Rules, to obtain shareholder approval to any transaction and to re-comply with the admission requirements set out in Chapters 1 and 2 of the ASX Listing Rules.

### Tenement Information as required by Listing Rule 5.3.3

The following is a table setting out the information as required by ASX Listing Rule 5.3.3, namely:

1. Mining tenements held at the end of the Quarter and their location;
2. Mining tenements disposed during the Quarter and location;
3. Beneficial percentage interests held in farm-in or farm-out agreements at end of Quarter; and
4. Beneficial percentage interests held in farm-in or farm-out agreements acquired or disposed of during the Quarter.

Location	Mining Tenement	Ownership	Acquired or Disposed
Peru (Ayacucho)	Patacancha No 1 – (i)	100%	(i)
Peru (Ayacucho)	Patacancha No 2 – (i)	100%	(i)
Peru (Ayacucho)	Patacancha No 3 – (i)	100%	(i)
Peru (Ayacucho)	Patacancha No 4 – (i)	100%	(i)
Peru (Puno)	Jess Gold 1	100%	N/A
Peru (Moquegua)	Jess Iron 1	100%	N/A
Western Australia (Northern Gascoyne)	E52/2688-I*	80%**	N/A

\* I = Iron Ore Endorsement

\*\* Mineral rights held by Laconia Resources Ltd (80%) and Pandell Pty Ltd (20%). Manganese and iron ore rights held by Laconia Resources Ltd (70%) and Pandell Pty Ltd (30%).

(i) Subject to disposal as approved by shareholders on 20 August 2015.