



## TOPTUNG LIMITED

ABN 12 118 788 846

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Australia

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Quarterly Activities and Cash Flow Statement  
For the 3 months ending 30 September 2017 (Quarter)

### COMPANY OVERVIEW

TopTung Limited (TopTung) (Company) (ASX: TTW) is a mineral exploration company listed on the Australian Securities Exchange (ASX).

Highlights since the Quarterly report lodged with the ASX for the 3 months ending 30 June 2017 include:

- Approval of the Federal Government ARC Linkage Grant for topaz research and UNSW progress update (ASX 2 August and 11 October 2017)
- Completion of the combined 400 RC and DC drill hole programme (ASX 18 August 2017)
- Continued wide widths of good grade tungsten assays (ASX 13 September and 11 October 2017)
- Lodgement of Mining Lease application and receipt of MLA number 546 from the DPE – Division of Resources and Geoscience (ASX 27 October 2017).

For more information on any of these ASX announcements, please visit the Company's website [www.toptung.com.au](http://www.toptung.com.au)

### CAPITAL STRUCTURE AND CASH POSITION

The Company's summarised capital structure at 30 September 2017 is as follows:

Issued fully paid ordinary shares:	153,247,653
Options (listed and unlisted):	Nil
Cash at Bank:	\$4.3 million

Shareholders and potential investors should also review the Company's Annual Report and audited Financial Report for the year ending 30 June 2017 and the Financial Report for the half-year ended 31 December 2016 to fully appreciate the Company's financial position.

Cash balances are placed on short-term deposit and are monitored on a month to month basis in order to ensure funds are available for drilling and associated field based activities for the coming quarter.

### MINERAL TENEMENT INFORMATION

Project	Tenement. No.	% Interest	Location
Torrington 1	EL 8258	100%	New South Wales
Torrington 2	EL 8355	100%	New South Wales

## **WAIVER FROM LISTING RULE 7.3.2**

Shareholder approval has been obtained for the issue of 6,000,000 fully paid ordinary shares ("Tranche 3 Shares") as part of the acquisition of two exploration licences in NSW known as the Torrington Project from Resolve Geo Pty Ltd ("Resolve"). This waiver has been obtained to issue the shares more than three months after approval at the meeting on 14 August 2015, on the proviso that the Company provides a note stating the terms on which this issue will occur.

The Tranche 3 Shares are to be issued 20 business days after the Company prepares:

- a final investment decision affecting the licences (as defined in the agreement); and
- applies for one or more mineral leases over the area/s of mineralisation described in the final investment decision;

and in any event no later than 31 December 2017.

## **UPDATE ON ISSUE OF TRANCHE 3 SHARES**

As a result of the extraordinary delays experienced in obtaining the NSW project drilling permits and clearances and then the further delays experienced in the drilling programme as a result of the adverse weather conditions at Torrington, the Company entered into an agreement on 7 August 2017 to amend the terms of the Asset Sale Agreement with Resolve Geo Pty Ltd.

In terms of the amendment it has been agreed that the 6,000,000 Tranche 3 shares are to be issued when the Company is granted at least one Mining Lease within the Torrington tenements. It is not possible to predict when the Torrington Mining Lease will be granted but it is clear that this will not occur before the 31 December 2017.

For, and on behalf of, the Board of Directors of TopTung Limited,

Dr Leon Pretorius  
Executive Chairman  
TopTung Limited  
31 October 2017

For any enquiries please contact

Martin Kavanagh on 0419 429 974, or Leon Pretorius on 0419 702 616

## 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**

TopTung Limited

**ABN**

12 118 788 846

**Quarter ended ("current quarter")**

30 September 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(285)	(285)
(b) development	-	-
(c) production	-	-
(d) staff costs	(3)	(3)
(e) administration and corporate costs	(138)	(138)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	23	23
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)	-	-
- GST refunds	40	40
- Payments for research and development	(21)	(21)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(384)</b>	<b>(384)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
(c) investments	-	-
(d) other non-current assets	-	-
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 – Security deposits	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
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)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	4,665	4,665
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(384)	(384)
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)	-	-

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,281</b>	<b>4,281</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	521	928
5.2	Call deposits (Term deposits with 30 day notice required to convert to cash)	3,760	3,737
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,281</b>	<b>4,665</b>

**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

<b>Current quarter \$A'000</b>
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88

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Amounts paid to directors include salaries, superannuation, directors' fees and consulting fees.

**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

<b>Current quarter \$A'000</b>
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N/A

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
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.		

N/A
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<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	243
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	113
9.6 Other (provide details if material) - Payments for research and development	100
<b>9.7 Total estimated cash outflows</b>	<b>456</b>

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nil			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	Nil			

### 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 2017

Print name: Suzanne Yeates

### 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.