

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

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A	Year to date (3 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(420,877)	(420,877)
(b) development	-	-
(c) production	-	-
(d) staff costs	(26,125)	(26,125)
(e) administration and corporate costs	(64,384)	(64,384)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2,374	2,374
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)	-	-
1.9 Net cash from / (used in) operating activities	(509,012)	(509,012)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(6,185)	(6,185)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A	Year to date (3 months) \$A
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	(6,185)	(6,185)

3. Cash flows from financing activities		
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	(6,179)	(6,179)
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 (1) Share Application monies held on trust (see notes to cash flow below)	342,351	342,351
(2) Bank Guarantee	(25,000)	(25,000)
3.10 Net cash from / (used in) financing activities	311,172	311,172

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	800,948	800,948
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(509,012)	(509,012)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(6,185)	(6,185)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	311,172	311,172

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Consolidated statement of cash flows		Current quarter \$A	Year to date (3 months) \$A
4.5	Effect of movement in exchange rates on cash held	3	3
4.6	Cash and cash equivalents at end of period	596,926	596,926

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	Previous quarter \$A
5.1	Bank balances	254,575	800,948
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Share Application monies held on trust)	342,351	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	596,926	800,948

Notes to cash flow

Item 3.9 (1) - Represents application monies received up to 30 September 2016 from the 1-for-5 non-renounceable rights issue as announced on 6 September 2016. The rights issue closed on 6 October 2016.

6.	Payments to directors of the entity and their associates	Current quarter \$A
6.1	Aggregate amount of payments to these parties included in item 1.2	57,797
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	

Item 6.1 consists of the salary and superannuation paid to the Managing Director (\$51,826), PAYG and superannuation for non-executive directors (\$5,971).

7.	Payments to related entities of the entity and their associates	Current quarter \$A
7.1	Aggregate amount of payments to these parties included in item 1.2	16,500
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	

Item 7.1 represents service charges paid to Chalice Gold Mines Ltd (a director related entity) for the provision of corporate services, and office rent.

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A	Amount drawn at quarter end \$A
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
9.1 Exploration and evaluation	590,000
9.2 Development	-
9.3 Production	-
9.4 Staff costs	23,500
9.5 Administration and corporate costs	81,500
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	695,000

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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	Tanzania Mohanga PL10802/2016 and App No 02446	Application (withdrawn)	0%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Kathleen Valley M36/162 M36/176 M36/264 M36/265 M36/266 M36/328 M36/342 M36/365 M36/375 M36/376 M36/441 M36/459 M36/460 M36/603 M36/660 E36/879	0% Subject to transfer (Pending completion of sales agreement with Ramelius Resources Ltd)	0%	0%
			Application	0%	0%

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: 19 October 2016

Print name: Leanne Stevens

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.