

31 October 2017

Company Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

## **ACTIVITIES REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

During the quarter, exploration activity was restricted to drilling at the Millennium Zinc Project held in joint venture with Encounter Resources Limited (Encounter), the project manager and majority owner.

The Company's other key assets are a holding of almost 10 million fully paid ordinary shares in Peel Mining Limited (Peel) and a 5% gross overriding royalty over all gold production in excess of 1 million ounces from the central leases of the Apollo Hill Gold Project, where preparations are being made for an aggressive exploration program to commence now that ownership of the project has been transferred to Saturn Metals Ltd. Saturn Metals Ltd is a wholly owned subsidiary of Peel and there are plans to seek its listing on the ASX.

Shareholders are referred to the current Peel ASX quarterly report and the more recent release of drilling results (*Peel ASX release 30 Oct 2017*) for details of the progress that Peel is making with its substantial exploration activities centred in the Cobar district of NSW.

### **The Millennium Zinc Project**

Hampton Hill has completed the earn-in of a 25% interest in this project during the quarter by meeting \$2 million of the first \$3 million of joint venture expenditure (*HMM ASX release 23 April 2015 details the joint venture agreement*).

The Millennium Project area incorporates Exploration Licences E45/2501, E45/2561 and the four eastern sub-blocks of E45/2500, which are a portion of the Encounter Yeneena Project (Figure 1).

Encounter, the project manager, reports as follows:

*The Millennium Project lies on the north eastern margin of the Yeneena Basin at the intersection of the NNW trending Tabletop Fault and the NE orientated Tangadee structural lineament. This intersection of two metallogenically important structural corridors is a first order target and typical of the style of setting that is associated with large scale metal deposits.*

*Previous aircore and RC drilling has defined a three kilometre long zinc regolith anomaly that remains open to the south-east. Diamond drilling at Millennium has intersected a thick zinc gossan at the contact between a brecciated carbonate and a thick sequence of carbonaceous shales of the Broadhurst Formation. Previous assay results from the gossan include (refer ASX release 9 July 2015):*

- in hole EPT2201 38.7 metres grading 0.9% zinc from 255.8 metres; and*
- in hole EPT2203 91.8 metres grading 1.6% zinc from 344.4 metres.*

*High tenor zinc sulphide mineralisation, in the form of sphalerite, has been intersected below the gossanous unit and returned assays of (refer ASX releases 12 January 2015 and 13 December 2013):*

- in hole EPT1854 0.7metres grading 36.7% zinc from 430 metres; and*
- in hole EPT2198 7 metres grading 4.8% zinc from 233 metres.*

*Diamond drilling at Millennium has identified two distinct styles of zinc sulphide mineralisation, 'contact related' and 'shale hosted'. The presence of multiple styles of zinc mineralisation and the three kilometre long zinc footprint indicate a significant mineralising event at Millennium.*

*The high grade zinc intersection in drill hole EPT1854 noted above was the most north-western drill hole at the project (see Figure 2). The areas directly down dip and down plunge to the north-west remained open potential for additional high grade zinc sulphide mineralisation to be revealed in this area.*

*Diamond drill hole EPT2303 was completed during the quarter targeting along strike of EPT1854 for a further test in this area. The hole contained a thick breccia zone at the carbonate shale contact. XRF hand held spot testing indicates that this breccia zone is weakly anomalous in zinc but visual inspection did not identify additional high grade zinc sulphide mineralisation similar to that in EPT1854. The anomalous section of the hole will be cut and submitted for chemical analysis.*

### **Next Steps**

*Further drilling is planned at a structural target in the south-east of the project where the mineralised trend remains open.*

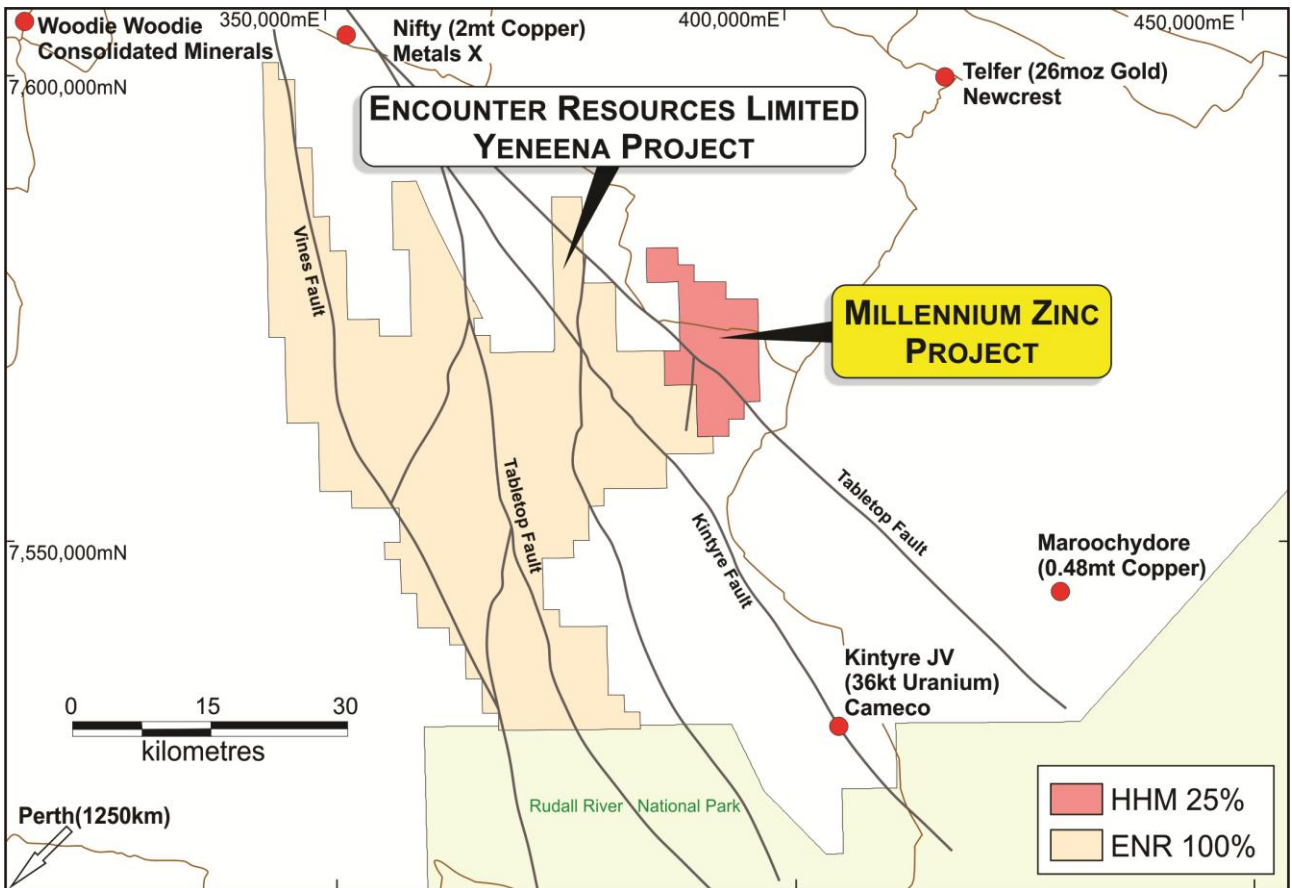


Figure 1: Location Map of Millennium Zinc Project

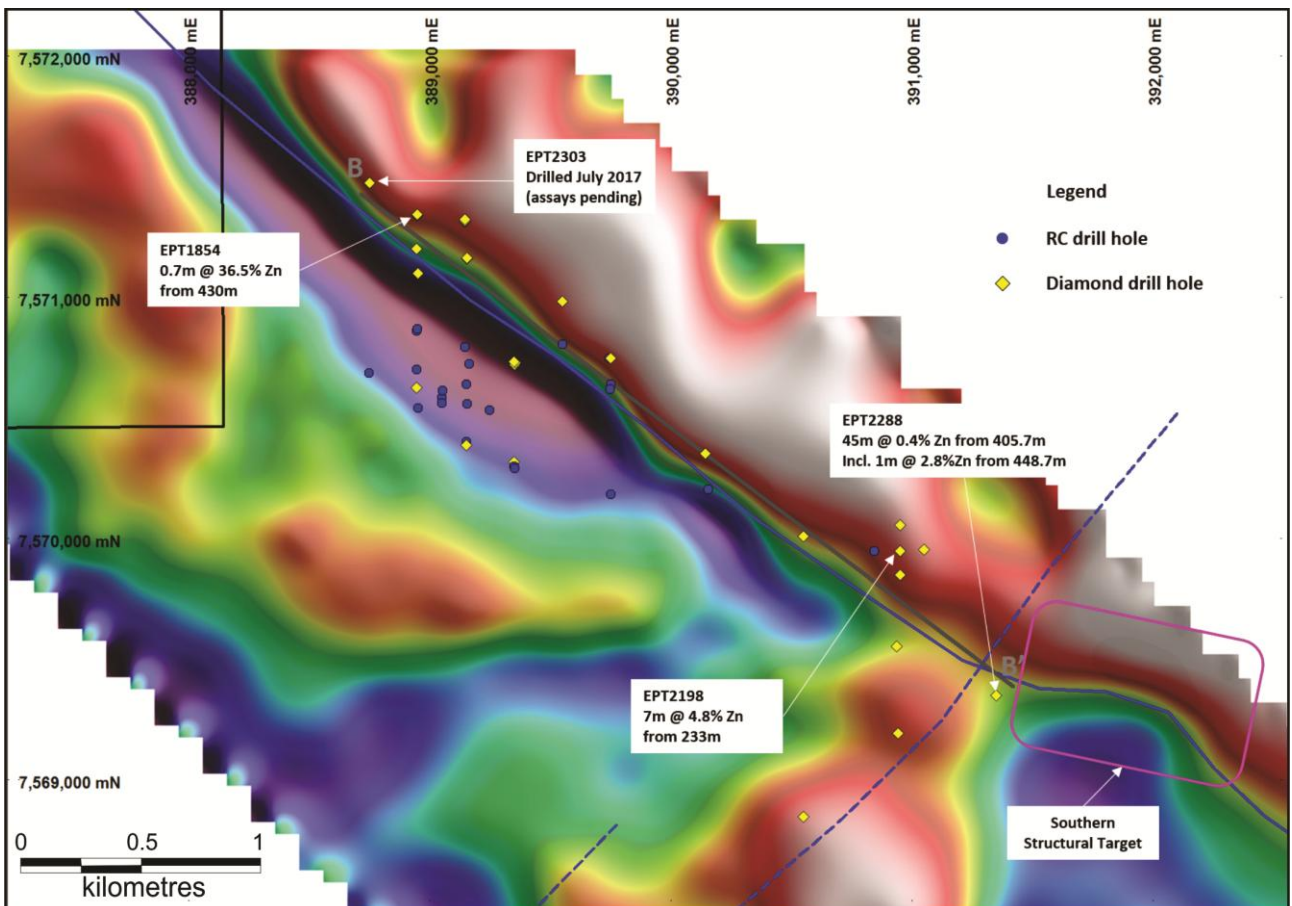


Figure 2: Drill hole collar location – Millennium

*JORC Compliance*

*The information in this report that relates to Exploration Results is based on information compiled by Mr. Peter Bewick who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Bewick holds shares and options in and is a full time employee of Encounter Resources Limited and has sufficient experience which is relevant to the style of mineralisation under consideration to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Bewick consents to the inclusion in the report of the matters based on the information compiled by him, in the form and context in which it appears. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases and the form and context of the announcement has not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.*

**Joshua Pitt**  
**Chairman**

## 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

HAMPTON HILL MINING NL

### ABN

60 060 628 524

### Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(108)	(108)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(111)	(111)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other : Rent received	24	24
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(195)</b>	<b>(195)</b>

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

## 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>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>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	150	150
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</b>	<b>Net cash from / (used in) financing activities</b>	<b>150</b>	<b>150</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	75	75
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(195)	(195)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	150	150
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
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>30</b>	<b>30</b>

<b>5. 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	30	75
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>30</b>	<b>75</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>
5
-

6.1 Director remuneration

**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>
-
-

## 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	750	750
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.		

The loan facility of \$750,000 is an unsecured working capital facility provided by companies associated with two directors on normal commercial terms and conditions at an interest rate of 3.5% per annum – further details are set out in the 2017 Annual Report.

The Company expects to be able to fund the estimated cash outflows for the next quarter (refer 9. below) through either selling some of the listed investments it holds as assets-available-for-sale or seeking an increase in the existing loan facility. The market value of the listed investment assets at the date of this report is approximately \$4M.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	2
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs (net of recoveries)	50
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>52</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		None		
10.2 Interests in mining tenements and petroleum tenements acquired or increased		None		



**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: Peter Rutledge

**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.

## MINERAL TENEMENT INFORMATION

AS AT 30 SEPTEMBER 2017

### MINING TENEMENTS AND BENEFICIAL INTERESTS HELD, AND THEIR LOCATION

#### Millennium:

Tenement	Location	Registered holding	Beneficial interest – refer Notes
E45/2501	East Pilbara, WA	0%	1
E45/2561	East Pilbara, WA	0%	1
E45/2500 (part of)	East Pilbara, WA	0%	1

#### Apollo Hill:

Tenement	Location	Registered holding	Beneficial interest – refer Notes
M31/486	Yilgarn, WA	0%	2
E31/1063 (part of)	Yilgarn, WA	0%	2
E31/1116	Yilgarn, WA	0%	2
E31/1163 (part of)	Yilgarn, WA	0%	2
E39/1198	Yilgarn, WA	0%	2
E39/1887	Yilgarn, WA	0%	2
E39/1984 (part of)	Yilgarn, WA	0%	2
E40/370 (part of)	Yilgarn, WA	0%	2

#### Weld Range:

Tenement	Location	Registered holding	Beneficial interest – refer Notes
M20/311	Murchison, WA	0%	3
M20/503	Murchison, WA	0%	3
M20/518	Murchison, WA	0%	3
M51/869	Murchison, WA	0%	3
E20/625	Murchison, WA	0%	3
E20/641	Murchison, WA	0%	3
E20/457	Murchison, WA	0%	3
E20/492	Murchison, WA	0%	3

#### Kalgoorlie:

Tenement	Location	Registered holding	Beneficial interest – refer Notes
P15/4896-4898	Yilgarn, WA	0%	4
P15/4900	Yilgarn, WA	0%	4
P15/5022-5024	Yilgarn, WA	0%	4
P16/2815 & 2816	Yilgarn, WA	0%	4
P15/5920 & 5921	Yilgarn, WA	0%	4
M15/1831	Yilgarn, WA	0%	4
M15/1832	Yilgarn, WA	0%	4

## MINERAL TENEMENT INFORMATION

AS AT 30 SEPTEMBER 2017

### MINING TENEMENTS AND BENEFICIAL INTERESTS HELD, AND THEIR LOCATION (continued)

<b>Sylvania: Tenement</b>	<b>Location</b>	<b>Registered holding</b>	<b>Beneficial interest – refer Notes</b>
M70/266SA	East Pilbara, WA	0%	5

#### Notes:

- 1) Millennium Zinc Project JV - The Company has earned a 25% beneficial interest.
- 2) The Company retains a 5% gross overriding royalty on all gold production exceeding one million ounces.
- 3) The Company has elected to convert its interest to a 2% FOB Royalty on iron ore and retains a 100% interest in non-ferrous metals.
- 4) The Company retains a 0.98% net smelter return royalty on all ore produced from these tenements.
- 5) The Company retains a royalty of \$1 per tonne of ore mined up to 100,000 tonnes, and \$2 per tonne thereafter.

#### Key:

- E: Exploration licence  
P: Prospecting licence  
M: Mining lease