

ASX Symbol: **NMM**

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BOARD OF DIRECTORS AND MANAGEMENT

Mr William Hayden
Non-Executive Chairman

Mr Miguel Palomino
Managing Director

Mr Andrew Johnstone
Non-Executive Director

Mr Jay Stephenson
Company Secretary

ISSUED CAPITAL

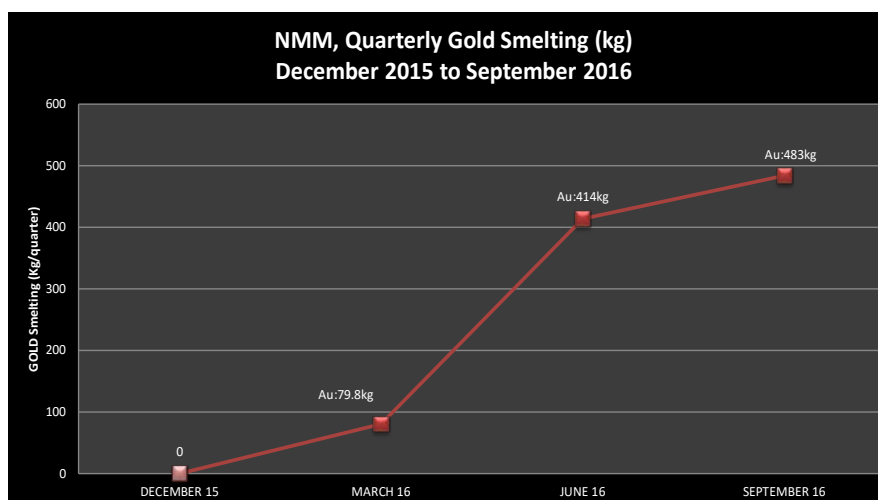
Shares on Issue: 133,222,750
Unlisted Options: 13,250,000

HIGHLIGHTS

- Noble Metals Limited's wholly owned GPS Metals Lab Cali Facility (GPS) smelted and exported 483kg of gold during the September 2016 quarter, resulting in a positive operating cashflow after costs of A\$345,000.
- Smelting increased 16.7% over the June quarter, despite a four-week period of no smelting during implementation of new Colombian government procedures, aimed at improving gold source transparency in the gold export industry.
- During the quarter, GPS successfully produced 23µm (micron) diameter gold wire, for demonstration purposes, with 99.99% purity. The wire was produced for qualification purposes for potential Asian customers and received positive reviews.

Summary

Noble Metals Limited ("NMM", "the Company" or "Noble Metals") is pleased to announce that it smelted and exported 483kg of gold at the GPS Metals Lab Cali Facility during the September 2016 quarter, a 16.7% increase over the June quarter. This was despite a 4-week period of no smelting during the quarter. Since commissioning in March 2016, to the end of September 2016, GPS has smelted and exported 977kg of gold. During the quarter, cashflow from smelting activities funded all company costs, including the purchase of new testing equipment and upgrading of manufacturing equipment. After all expenses, the Company is pleased to report a positive operating cashflow for the quarter of A\$345,000.



Gold smelted per quarter (kg) December 2015 to September 2016

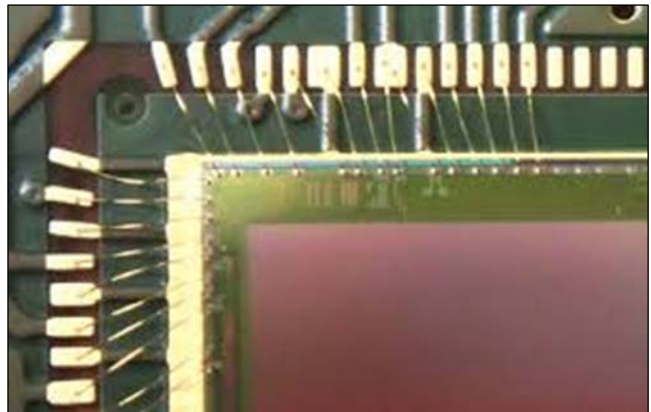
The GPS Metal Lab Cali Facility has the capacity to smelter over 1 tonne of gold per month and it is Noble Metals goal to continue to grow its smelting activities towards this capacity.

GPS Metals Lab Cali Refinery, Smelter and Manufacturing Facility

The GPS Metals Lab precious metals, smelter, refinery and manufacturing facility ("GPS Metals Lab Cali facility") is located in the city of Cali in southwestern Colombia. Over the September quarter, the GPS Metals Lab Cali Facility smelted and exported 483kg of gold, a 16.7% increase over the June quarter. Year to date, the GPS Metals Lab Cali Facility has smelted 977kg of gold.

It is important to note that smelting activities were restricted for approximately four weeks during the quarter while the DIAN (Dirección de Impuestos y Aduanas Nacionales or Colombian Tax and Customs Organization) implemented new monitoring procedures largely aimed at improving gold source confidence, traceability and transparency.

In July, the GPS Metals Lab Cali Facility successfully produced 23µm (micron) diameter high purity (four nines, or 99.99%) gold wire for qualification purposes to potential Asian high tech electronics manufactures. The wire was produced on a recommissioned German made Niehoff automated wire drawing machine. Following positive feedback from potential customer's, an upgrade/retrofit of the machine commenced, including new PLC software to ensure high volume orders can be met.



Example of 23µm gold wire and application as bonded wire in electronics manufacturing

The production of 23µm wire requires refining of gold to an ultra-high purity of 99.99% and 99.999% (referred to four nines and five nines gold). This is well beyond the traditional gold for banking standard of three nines (99.95%). Ultra-high purity gold is required to ensure consistency in diameter, elongation and break point of wire, in order to meet the stringent specification of the final product.

SEPTEMBER QUARTERLY ACTIVITIES REPORT 2016

In September, GPS Metals Lab attended the International FICEM Technical Congress 2016 (International Federation of Cement) held in Cartagena in northern Colombia. GPS used the conference as a platform to introduce its capabilities, particularly production of platinum crucibles and platinum casting moulds, to the global cement industry. Attendees included major cement companies from Asia, Europe, North and South America.



GPS Metals Lab booth at International FICEM Technical Congress 2016 in Cartagena, September 2016

For qualification purposes, the manufacturing of other precious-metal finished goods continued during the quarter including the production of pure gold pellets, platinum crucibles for assessment by an Asian cement company and production of copper sputtering targets for assessment by a precision electronics producer. Gold sputtering targets like 23 μ m wire require high purity gold, as the targets are used with the aid of lasers to produce very fine coating of gold in the manufacture of precision electronic components including microchips and other wafer-based silicon products. Orders for specialty products are steadily increasing and Noble Metals anticipates revenues from manufacturing to continue to grow.



GPS manufactured gold pellets



GPS manufactured platinum crucible

SEPTEMBER QUARTERLY ACTIVITIES REPORT 2016

Novita Exploration, Mining and Processing Operations

During the September quarter, Noble Metals continued to test alluvial material from a variety of locations both on and off the Novita community lands. Noble Metals is keen to identify fully-permitted alluvial opportunities in the region of Novita, even if not directly on the Novita community lands, to assess and potentially establish an alluvial operation to utilise Noble Metals existing processing equipment located at the Novita camp/compound.



Testing local alluvial material during September Quarter 2016

During the quarter, Noble Metals re-engaged with the El Tambito/Gaviota owners who are part of the Novita Community. Noble Metals had planned to revisit the El Tambito/Gaviota prospect east of Novita during the quarter, however delays postponed the trip to early October. The El Tambito/Gaviota project area is currently only accessible by boat or air. This area hosts a hard-rock gold source that Noble began exploring and reporting on in late 2013. The gold at the Gaviota Mine is hosted in a sub-vertical shear zone set in a sequence of altered sedimentary and volcanic geology.



Site visit to El Tambito/Gaviota early October 2016

SEPTEMBER QUARTERLY ACTIVITIES REPORT 2016

Administration/Colombia/Corporate

Revenue generated principally from smelting and exporting 483kg of pure gold has resulted in a positive operating cashflow of A\$345,000 for the quarter. All in country expenditure is being funded from the Cali facility revenue, including:

- All operating costs at the Cali operation
- Retrofitting and setting up of drawing equipment for 23µm diameter gold wire production
- Acquisition of additional testing equipment
- All operating expenses for Condoto Platinum Colombia (camp, payroll, vehicle and equipment maintenance)
- Condoto Platinum Colombia preliminary exploration expenses

Final ratification of the peace agreement between the FARC and Colombian Nation was decided by the voting population of Colombia on 2 October 2016. Unfortunately, ratification of the agreement was not achieved. Encouragingly, all major sides of Colombian politics and the FARC are still committed to peace and have publicly stated peace is still achievable. The running cease fire has been extended, and media sources are suggesting an amended agreement could be ratified before Christmas 2016. Despite this setback, the President of Colombia was awarded the Noble Peace Prize for his efforts towards peace and it seems evident that a fully-ratified peace agreement is close.

Integration of the GPS Metals business into Noble Metals during the quarter has delivered more efficient management in Colombia as well as cost savings. This has included transition of management of the Novita operations to Cali and recruitment of a new Colombian operations manager for Novita/Choco business.

Noble Metals Managing Director, Miguel Palomino and Juliana Guevara have been registered as the Legal Representatives for all of Noble Metals Colombian entities.

Placement

Noble Metals completed a placement of 7,500,000 shares at 10 cents per share to raise \$750,000 before costs. Additionally, 2,500,000 options exercisable at 15 cents on or before 31 July 2019 were granted under the terms of the placement. The placement of shares was approved by shareholders on 22 April 2016. The options will come out of the Company's 15% capacity. The funds are for working capital and Colombian operations.

Competent Persons Statement

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Mr Andrew Johnstone 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 Andrew Johnstone who is a Director of the Company, consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This release may contain forward-looking statements. Certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information. Actual values, results or events could differ materially from any conclusion, forecast or projection expressed or implied in the forward-looking.

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

Noble Metals Limited

ABN

43 131 213 824

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	29,964	29,964
1.2 Payments for		
(a) exploration & evaluation	(38)	(38)
(b) development	-	-
(c) production	(29,369)	(29,369)
(d) staff costs	(63)	(63)
(e) administration and corporate costs	(150)	(150)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	1
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	345	345
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(18)	(18)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
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	(18)	(18)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	750	750
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	(42)	(42)
3.5	Proceeds from borrowings	1,782	1,782
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)	-	-
3.10	Net cash from / (used in) financing activities	2,490	2,490

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	237	237
4.2	Net cash from / (used in) operating activities (item 1.9 above)	345	345
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(18)	(18)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,490	2,490

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(46)	(46)
4.6	Cash and cash equivalents acquired from the subsidiary	534	534
4.7	Cash and cash equivalents at end of period	3,542	3,542

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'000	Previous quarter \$A'000
5.1	Bank balances	3,542	237
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,542	237

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

Current quarter \$A'000
66
-

Payment to directors are for director fees and reimbursement expenses

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

Current quarter \$A'000
18
-

Payment to related entities are for director fees and reimbursement expenses

8. Financing facilities available

Add notes as necessary for an understanding of the position

- 8.1 Loan facilities
8.2 Credit standby arrangements
8.3 Other (please specify)

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

- 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.

None

9. Estimated cash outflows for next quarter**\$A'000**

- 9.1 Exploration and evaluation
9.2 Development
9.3 Production
9.4 Staff costs
9.5 Administration and corporate costs
9.6 Other (provide details if material)
9.7 Total estimated cash outflows

40
-
250
75
125
-
490

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	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

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: 28 October 2016

Print name: JAY STEPHENSON

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.