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# Quarterly Activities Report For The Period Ending 30 September 2016

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### Highlights for the quarter ending 30 September 2016

- Gravity and aeromagnetic surveys have been conducted at the Meekatharra Gold Project. Southern Geoscience Consultants `SGC` completed processing and interpreting the geo-physical data late September. An evaluation and prioritization of identified targets will commence next quarter.
- A technical review of the Norseman project is currently underway.
- A heritage agreement has been finalized for newly granted P63/1997 and heritage negotiations are underway for M63/657 application (Norseman Project).
- An environmental rehabilitation review has taken place for the Magnetite Range Iron Project. A logistics study for sample relocation is currently underway.
- The company has been reviewing some projects in house and with the help of outside consultants. The company continues to concentrate on the identification of investment opportunities in the resources sector.

### Capital Structure

Ordinary Fully Paid Shares at 30 June 2016	181,000,233
12 month high-low	\$0.08 - \$0.13

### Directors & Management

Yuzi (Albert) Zhou	Executive Chairman
Dianzhou He	Deputy Chairman
Jun Shang Liang (alternate Jie You)	Non Executive Director
Rob Allen	Company Secretary

### Top 10 Shareholders

	No.	%
Xingang Resources (HK) Limited	98,026,518	54.16%
Rich Mark Development (Group) Pty Ltd	28,218,366	15.59%
Grandmaster Fortune	21,563,603	11.91%
Sino Oriental International Limited	10,000,000	5.52%
Mr Bin Cui	9,862,988	5.45%
Mrs Li Li Zhao	2,102,500	1.16%
Mr Gregory Ian Willims & Mrs Judith Anne Willims	875,000	0.48%
Mr Tony James Pears & Mrs Lynda Pamela Pears	650,300	0.36%
Tolsutra Pty Ltd	500,000	0.28%
Brownward Pty Ltd <Brian Hayward S/F A/C>	500,000	0.28%



## Corporate

In conjunction with majority shareholder Xingang Resources (HK) Limited the Company continues to assess investment opportunities and projects for acquisition or development.

### MZI Resources NL (ACS 4.8%)

The Company announced on 30<sup>th</sup> November 2015 that it had acquired a substantial shareholding in MZI Resources NL ("MZI") which is a listed West Australian mineral sands producer (ASX Code: MZI). MZI carried out a \$43million share placement in 3 Tranches, the first 2 of which the Company participated in. The Company acquired 10m shares or 6.25% of MZI at an issue price of 40 cents for a total consideration of \$4.0 million. The third Tranche of MZI placement which took place in late February 2016, following MZI shareholder approval, diluted the Company's interest to 4.9%.

The Company funded its participation in the MZI placement by way of a \$4million loan facility extended by the Company's major shareholder Xingang Resources (HK) Ltd.

In November 2015 MZI commissioned a mineral sands mine at Keysbrook which is 70kms south of Perth. During 2016 the project has been ramping up to its initial production target of 96ktpa of leuconite (L70 and L88) and zircon concentrate comprising 38ktpa of L88, 29ktpa of L70, and 29ktpa of zircon concentrate. It has contracted sales of 70% of initial output. At current mineral sands prices the initial production rate is expected to generate revenue in excess of \$60mpa.

On the 30/6/2016 MZI announced that it had sold 31,400 tonnes of product since operations began in late 2015. These sales generated revenue of \$18.2m.

On 9th September 2016 MZI announced that the Keysbrook operations were expected to move to positive cashflow in the September 2016 quarter. The company is forecasting the operations to remain cashflow positive in the 2016/17 year. Evaluation of the optimum expansion pathway is to be completed in the first half of 2017.

Keysbrook is shaping up as a high value, low cost operation and is expected to be the world's largest primary producer of leuconite. With resources equivalent to 30 years mine life at initial production rates it has significant expansion potential. The Keysbrook project has mineral resources totalling 155mt. at 2.0% heavy mineral content and within these resources Proved and Probable Reserves are 72.1 mt at 2.2% heavy mineral grade. The reserves are sufficient for 15 years at the initial production rate.

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### Magnetite Range Iron Ore Project (ACS 100%)

The Company's wholly owned Magnetite Range Project ('MRP') is located in the Midwest region of Western Australia, immediately adjacent to the Extension Hill iron ore mine, and contains a total JORC resource of **434.5 Mt at 31.4% Fe** at 15% weight recovery cut off, as announced to the ASX on 28 November 2012.

Project studies at the MRP have been deferred, the Company remains committed to development of the project and continue to review land access, infrastructure and corporate options.

An environmental review has commenced for the Magnetite Range Iron Project. Planning and preparation is currently underway to relocate archive samples to one area resulting in a more secure and appropriate long term location and to reduce potential for compromised sample quality. Two field trips were made during the reporting period to conduct these activities.

### Norseman Gold Project (ACS 100%)

The Norseman Gold Project occurs within a strongly mineralised portion of the southern Norseman-Wiluna greenstone belt and is located 5km south of Norseman.

A JORC 2004 Code Mineral Resource for Iron Duke and Surprise deposits of **1,039,400 tonnes @ 1.8 g/t Au for 59,500 ounces** (99 percentile upper cut, 1.0 g/t Au lower cut off) was announced to the ASX on 26 November 2012. Over 70-80% of the resource is shallow, within 50m of surface. The 2012 review and resource estimation exercise clearly demonstrated that additional drilling is required to test deeper potential and newly identified zones, a technical review of the previous resource and geological interpretation is ongoing. Discussions with external consultants have been made; a 'health check' of the current resource is recommended.

Mining Lease application (M63/657) applied for on 3rd September 2015 is pending with the WA Department of Mines and Petroleum. This application seeks to convert 7 contiguous granted Prospecting Licences and 5 contiguous granted Mining Leases into one consolidated Mining Lease (M63/657). The 12 tenements are P63/1380-1381; P63/1383-1384; P63/1642; P63/1893; P63/1904; M63/225-226; M63/229; M63/247 and M63/369. P63/2052 was pegged and application submitted on 20th June 2016 and is pending; application for P63/1997 applied for on 10 October 2014 was granted on 4th July 2016. A heritage agreement was executed for P63/1997 on the 23rd June 2016 and finalised for this tenement during July 2016. Heritage negotiations are progressing for M63/657.



### **Arcadia Gold Project - Meekatharra (ACS 100%)**

The Arcadia- Meekatharra gold project (E51/1209) is located in the southern portion of the Abbots greenstone belt some 45km south west of Meekatharra and 30km south west of Bluebird gold mine (Metals X) in the Murchison district of Western Australia.

The project is an early stage exploration project with historical exploration confined to limited historical drilling at the Hope River Prospect. The Hope River Prospect was previously identified by WMC Resources air core reconnaissance drilling in the 1990's and is located on a N -S trending western auriferous quartz dolerite. The quartz dolerite trends over approximately 2km length located within the N-S trending Hope River shear zone which splays off the Abernathy Shear Zone. Historical significant intersections include:

- 8m @ 4.24 g/t Au (MHD 46 on cross section 7023950mN)
- 8m @ 3.89 g/t Au (MHC 21 on cross section 7023235mN)
- 1m @ 15.5 g/t Au (MHC 13 on cross section 7024435mN)

The northern strike extension of the Hope River Prospect was drilled with aircore (AC) during 2012 by Accent Resources and returned anomalous composite assay results (peak 8m @ 1.2 g/t Au) over more than 1km. Reverse Circulation (RC) follow up drilling was recommended but never completed.

Due to the lack of subsurface information and a high proportion of salt lake cover, gravity and aerial magnetic surveys were completed during the last quarter to help define geological architecture and preliminary local scale target definition.

Southern Geoscience Consultants 'SGC' completed processing and interpretation of the geophysical data on 19<sup>th</sup> September 2016. Preliminary review of this data and report are encouraging, evaluation of targets generated by this report is due to commence. (Refer Fig 1)

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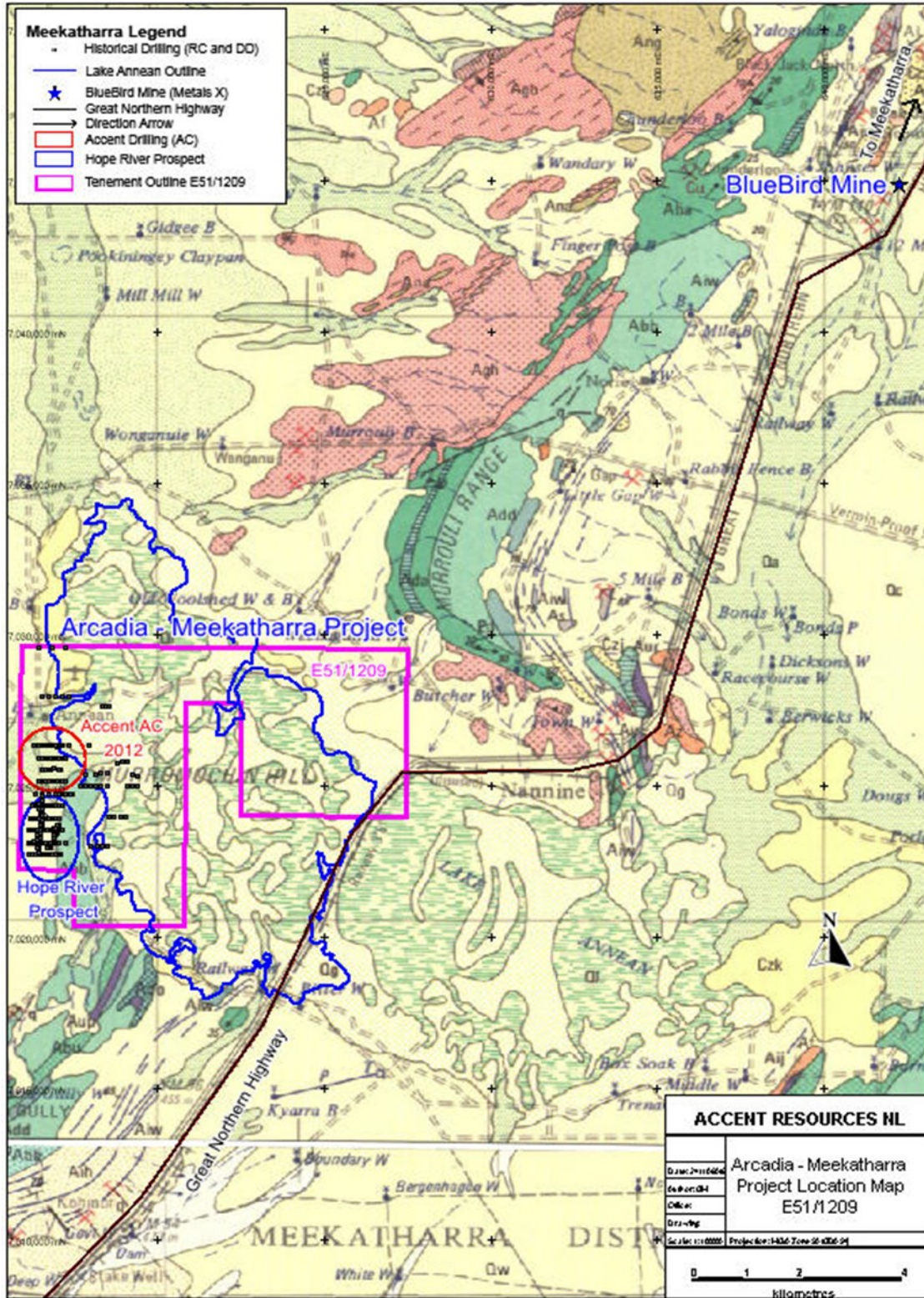


Figure 1 - Arcadia - Meekatharra Project Location Map

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Yours faithfully,  
**Accent Resources NL**

**Yuzi Zhou**  
Executive Chairman

For further details contact:  
Yuzi (Albert) Zhou - Executive Chairman (08-94813006)

Competent Persons Statement

The information in this report that relates to Exploration Results, Mineral Resource and Ore Reserves is based on information compiled by Ms George Morton, a Competent Person who is a Member of the Australian Institute of Geoscientists. Ms Morton is a full time employee of Accent Resources NL. Ms Morton has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. Ms Morton consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

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