

15 NOVEMBER 2017

Exploration Underway at Consuelo Project, Bowen Basin Queensland

Perth, Western Australia – 15th November 2017 – Lustrum Minerals Limited (**ASX: LRM**) (**Lustrum**) (**Company**) is pleased to provide an update on its activities.

Lustrum has been admitted to the official list of the Australian Securities Exchange (**ASX**), having successfully raised \$5,000,000 at \$0.20 per share to complete its Initial Public Offer (**IPO**).

Concurrent to capital raise of the IPO, the Company has progressed its Consuelo Coal Project, located near Rolleston in Queensland's Bowen Basin, consisting of three (3) Exploration Permits for Coal (**EPC**, or collectively **EPCs**).

Highlights

- Detailed data review and field visit has confirmed a cluster of shallow historical coal intersections within the Bandana Formation, north-west of EPC 2327.
- Initial Deep Ground Penetrating Radar (**DGPR**) survey successfully completed over a section of EPC 2327.
- Processing of DGPR data identifies a distinctive thick reflective band (interpreted coal bearing sequences) touching the base of weathering at approximately 20 metres from surface.
- Drilling set to commence later this month with an initial program targeting the shallow coal bearing sequence on the eastern flank of the north-south trending Consuelo anticline.
- Consuelo Project EPCs (particularly the western areas) are strategically located regionally on the eastern flank of the Consuelo anticline, along strike from the Glencore Australia operated Rolleston Coal Mine.

Experienced Queensland based geological and coal exploration consultants, Xplore Resources Pty Ltd (**Xplore**), have completed a review of the seismic and regional geological data, historically completed across and proximal to the Company's EPCs (see Figure 1 overpage).

Xplore's review identified a cluster of coal intersections in historic drill holes of seams thicker than 2 metres, between 25 metres and 160 metres depth to the north and west of EPC 2327 (see Figure 2 overpage). These coal intersections cover an approximate distance of 3.5 kilometres along strike, suggesting that seams could exist at similar depths within EPC 2327. One of the intersections is in a government stratigraphic drill hole where seams have been logged in that drill hole as being within the Bandanna Formation.



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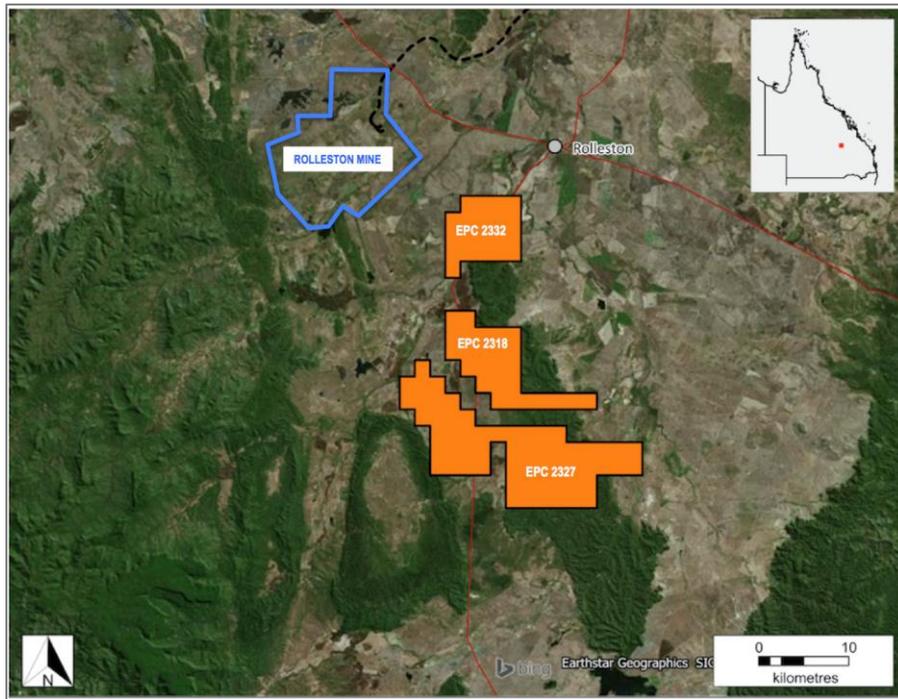


Figure 1. Lustrum Minerals Consuelo Project EPCs

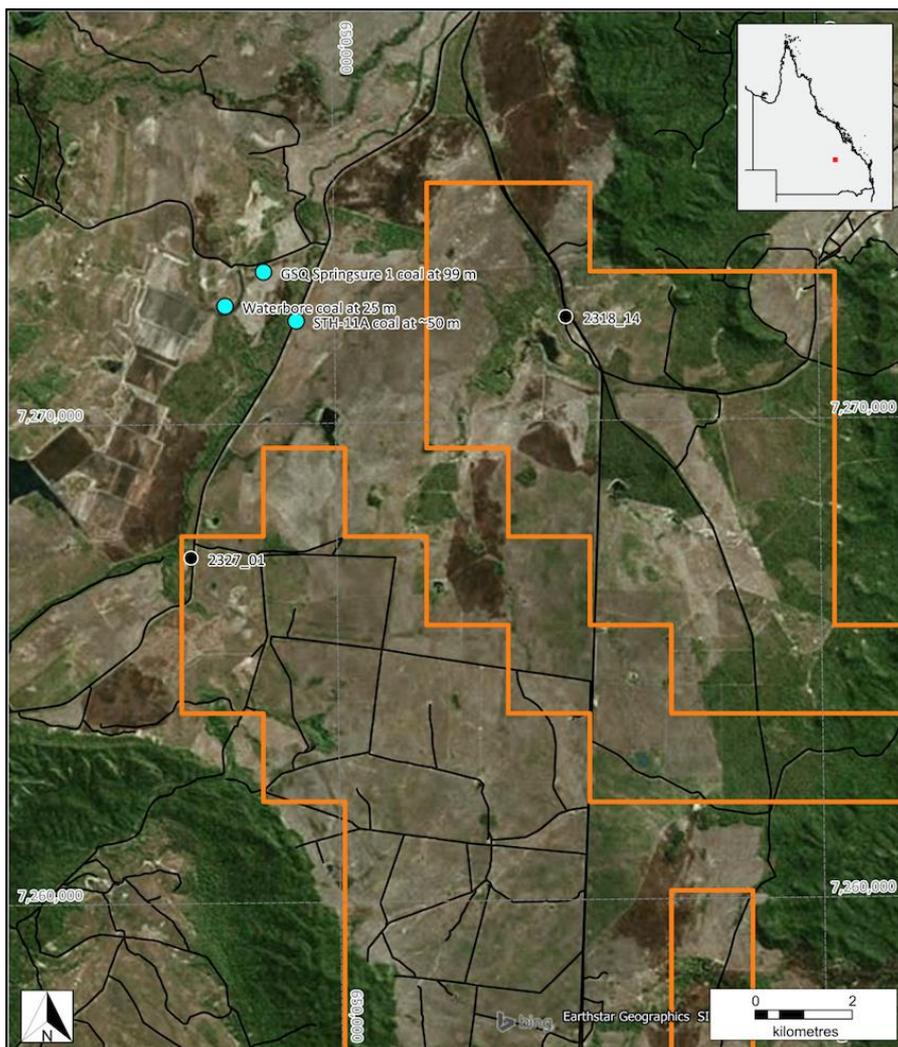


Figure 2. Cluster of Coal Intersections Adjacent to the Consuelo Project





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The Company also completed a (on an initial modest scale) DGPR survey over a portion of EPC 2327 (western part of the EPC on the eastern flank of the Consuelo anticline) to establish the effectiveness of a DGPR technique in this area. Approximately 1.5 kilometres has been surveyed, using a range of filters and settings to optimise the value of the information being gathered (See Figure 3.).

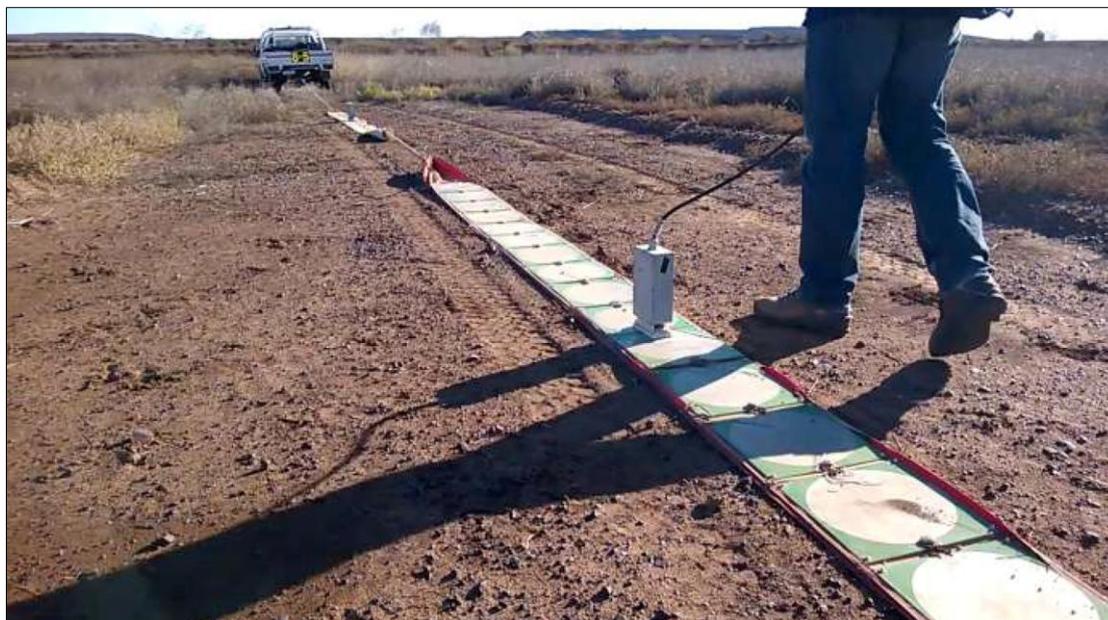


Figure 3. DGPR Survey Underway at the Consuelo Project

Radar reflections were seen at depths up to 80 metres. Preliminary processing shows a distinct thick reflective band (interpreted coal bearing sequence), touching the base of weathering at approximately 20 metres depth and extending into the underlying rock. This is the blue/green layer highlighted below in Figure 4. The observed reflector bears many similarities to the geophysical properties of coal seams, supporting the shallow seam interpretation discussed above.

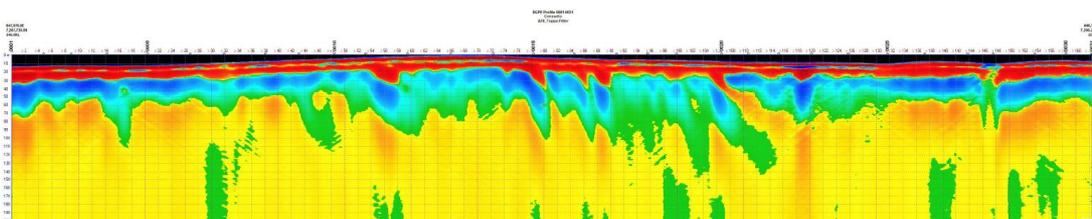


Figure 4. Profile DGPR Survey

Following the completion of the data review and DGPR survey, the Company opened tenders for an initial drilling program. The Company has now selected the preferred operator and drilling is set to commence later this month.

The Company plans to complete two percussion drill holes (one each in EPC 2318 and EPC 2327). The first drill site has been selected to intersect the interpreted coal bearing sequence (reflector bands) seen in the DGPR survey. The second drill hole site has been selected to facilitate seismic correlation. Post drilling, an updated geological model will be created from the drill hole information, historical seismic data, DGPR data and drill hole data from the surrounding areas.



Follow-up drilling will be designed and planned using the updated geological model. Success from the initial program will see the Company rapidly progress its exploration drilling program with the goal of identifying an initial inferred coal resource at the Consuelo Project toward the 2018 financial year end.

Commenting, Lustrum Chairman, David Prentice said, "We are really pleased to have closed the Company's initial public offering oversubscribed and would like to thank all of our shareholders for their ongoing support. We are also delighted with the speed and efficiency with which we have been able to successfully advance the Consuelo Project's exploration plan. The results of the initial DGPR survey and data review are very encouraging and we are looking forward to keeping shareholders up to date as we get the next phase of exploration (drilling) underway".

For, and on behalf of the Board of the Company,

Loren King

Non-Executive Director and Secretary

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- ENDS -

Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Lustrum Minerals Limited's planned exploration programs, corporate activities and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Lustrum Minerals Limited believes that its forward-looking statements are reasonable; however, forward looking statements involve risks and uncertainties and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

Competent Persons Statement

The information in this report that relates to Exploration Results are based on information compiled by Mr Ian Prentice. Mr Prentice is a consulting geologist for Lustrum and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this report and to the activity which they are 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' ("JORC Code"). Mr Prentice consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



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JORC Code, 2012 Edition – Table 1 Sections 1 and 2

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Data was interpreted from historic downhole geophysics and seismic sections. Hole details:</p> <ul style="list-style-type: none"> GSQ Springsure 1 was drilled by BMR in 1962 to a total depth of 366 meters. Geophysical traces have been digitized by Geological Survey of Qld and coal intersections and interpreted seams reported in QGMJ Vol 77 No 894 (April 1976). These reports were used to inform the interpretation. Xstrata hole STH-11A was a 110mm diameter rotary open hole, drilled in 2004 on EPC 737 to a total depth of 252 m (driller's depth) / 236.61 m (logger's depth). A coal seam was interpreted at a depth of 50.05 to 53.65 m from the geophysical short-space density and gamma logs. Data was retrieved from QDEX report CR_37397. Waterbore RN103493 drilled in 1998 to depth of 30.48 m; coal was logged by driller between 25.60 and 27.43 m. No sampling or logging was undertaken. Data was retrieved from DNRM groundwater database. <p>Seismic information was gained from review of seismic sections across the area and a seismic horizon interpolation plot contained in QDEX report CR_9379_5. The interpolation was undertaken by AAR Ltd in March 1981 in relation to AtoP-119P</p>
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> STH-11A was drilled as a 110mm diameter open hole. The fluid used for circulation is not recorded, and is assumed to be air. No samples were assessed as part of this investigation. No information is available regarding the drilling of GSQ Springsure 1. RN103493 was drilled as a 6" (150 mm) water bore. No further details are available.

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Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> • No samples have been recovered or examined for this statement.
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • No sample logging details are available
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • None
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether 	<ul style="list-style-type: none"> • None

Criteria	JORC Code explanation	Commentary
	<i>acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No sampling or assaying was undertaken Historic seismic data were checked at line intersections for consistency and compared to the interpolated surface contained in QDEX report CR_9739_5 as outlined above
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Historic data from existing drillholes at locations: <ul style="list-style-type: none"> RN103493: GDA94 Zone 55J 647740 E 7272480 S GSQ-Springsure 1: GDA94 Zone 55J 648541 E 7273184 S Xstrata STH-11A: GDA94 Zone 55J 649206 E 7272154 S DGPR data was obtained within Rewan Rd reserve where it intersects EPC 2327, between approximately 647035 E, 7277660 S and 646772 E, 7266257 S (GDA 94 zone 55J) Seismic interpretation are of numerous surveys crossing and surrounding the tenements, shot between 1979 and 1996, and an interpolation undertaken by AAR Ltd in 1981.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Data spacing is not intended for resource calculation at this stage, and gives indications for exploration planning and targeting.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> Not available at this stage
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> Not relevant
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> None

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The tenements referred to in this announcement are held by Consuelo Coal (EPC2327) Pty Ltd, a wholly owned subsidiary of Lustrum Minerals Ltd, and are as follows: <ul style="list-style-type: none"> EPC2327 consisting of 50 sub-blocks, granted 24 July 2013 and expires 29 Jan 2018 (renewal application submitted) EPC2332 consisting of 20 sub-blocks, granted 30 Jan 2014 and expires 22 July 2021 EPC2318 consisting of 26 sub-blocks, granted 24 July 2013 and expires 23 July 2021
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> None
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Coal seams within the Bowen Basin with potential for thermal and semi-soft coking coal
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No drilling undertaken
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	<ul style="list-style-type: none"> No data aggregation was undertaken

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Mineralisation of coal seams is broadly horizontal except where affected by significant structure, and seams are expected to split, merge and thicken or thin over a range of 100s of metres to several kilometres. Reported intercepts in this statement are vertical or close to vertical, and therefore are a reasonable indication of coal true thickness.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Not required
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Not available
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Deep Ground-Penetrating Radar (DGPR) survey carried out in October 2017, along a 1.5 km section of Rewan Rd reserve between points 647035 E, 7277660 S and 646772 E, 7266257 S (GDA 94 zone 55J)
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Exploration drilling planned for November – December 2017 targetting the DGPR survey line and elsewhere. Holes may be twinned for coring of suitable intersections are found.

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