



Quarterly Activities Report to 31 December 2014

Company Overview

Cannindah Resources Limited (**Company, Cannindah, CAE**) is focussed on progressing its flagship Mt Cannindah Gold and Copper project area approximately 100km to the south of Gladstone in the state of Queensland. At the recent Annual General Meeting of Shareholders held on the 27th of November 2014 the shareholders resolved on a show of hands to pass a resolution to change the name of the company to Cannindah Resources Limited to reflect the current strategy of the company to focus its exploration on targets in and around the Mt Cannindah project area.

Mount Cannindah Project

(Located approx. 100km south of Gladstone, Qld)

- Mt Cannindah represents a large (greater than 9km²) high level “porphyry style” Cu-Mo-Au mineralised system.
- Rock chip sample from United Allies, Monument, Lifesaver prospect areas returned up to 24.2%Cu (ASX release 20th October 2014)
- Follow up of the high grade float material obtained in June 2014 at the Little Wonder prospect produced a new float sample which graded 14.15g/t Au (see ASX release 1st October 2014).
- Trenching in the vicinity of the location of the float samples exposed high grade gold bearing quartz vein producing results of up to 17.7g/t Au (ASX release 1st October 2014). Trenching identified a shallowly buried gold mineralised zone where significant gold grades occur over potentially minable widths including 4m @ 1.49g/t Au and 2m @ 4.12g/t. Assay results from sampling over 1m intervals within trenching show that gold grades in the range of 0.5g/t Au to 7.4g/t are present over significant widths (see ASX release 14th October 2014). Channel sampling from outside the main vein also produced anomalous results suggesting that rather than one discreet vein, mineralisation may be hosted by a network of veins within this recently identified structural trend.
- A single stream sediment sample from the Little Wonder prospect area returned an outstanding result of 2,340 ppb Au (See ASX announcement dated 10th October 2014)
- More detailed Stream sediment sampling program was completed during the quarter which further supports a potential mineralised structure potentially linking “Little Wonder” to the “Midway” and “Cannindah East” prospects. Further this survey outlined a potential new area of interest west of the known resources at the Mt Cannindah site. Eleven samples within this program returned greater than 100ppb Au and up to 1040ppb Au emphasising the significant gold within the anomalous catchment area. (See ASX release 18th December 2014).



- During the quarter the company was granted new ground linking to the current Mt Cannindah project area to the south known as EPM 25537, exploration targets over this ground will be followed up during the coming quarter. (See ASX release 25th November 2014)
- All targets identified from recent exploration work and a historical reviews will be followed up in the coming quarter

Mount Borium Gold Project and Oak River Uranium /Gold Project

(EPMs 18960, 19009, 19015, 17945)

- No work was conducted on these projects during the December quarter. The company continues to seek appropriate JV partners for these assets.

Corporate

- AGM was held on 27th November 2014 with all resolutions passed by a show of hands
- Change in major shareholders with CAE Executive Chairman Thomas Pickett holding a 9.6% interest in the Company.
- Agreed \$2m funding facility expected to settle in the next 14-21 days subject to execution of final documentation (see ASX release 30th January 2015).

For further information, please contact:

Tom Pickett
Executive Chairman
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Compliance Statement

The information in this report relating to exploration results is extracted from the market announcements to which the report refers. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the results in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

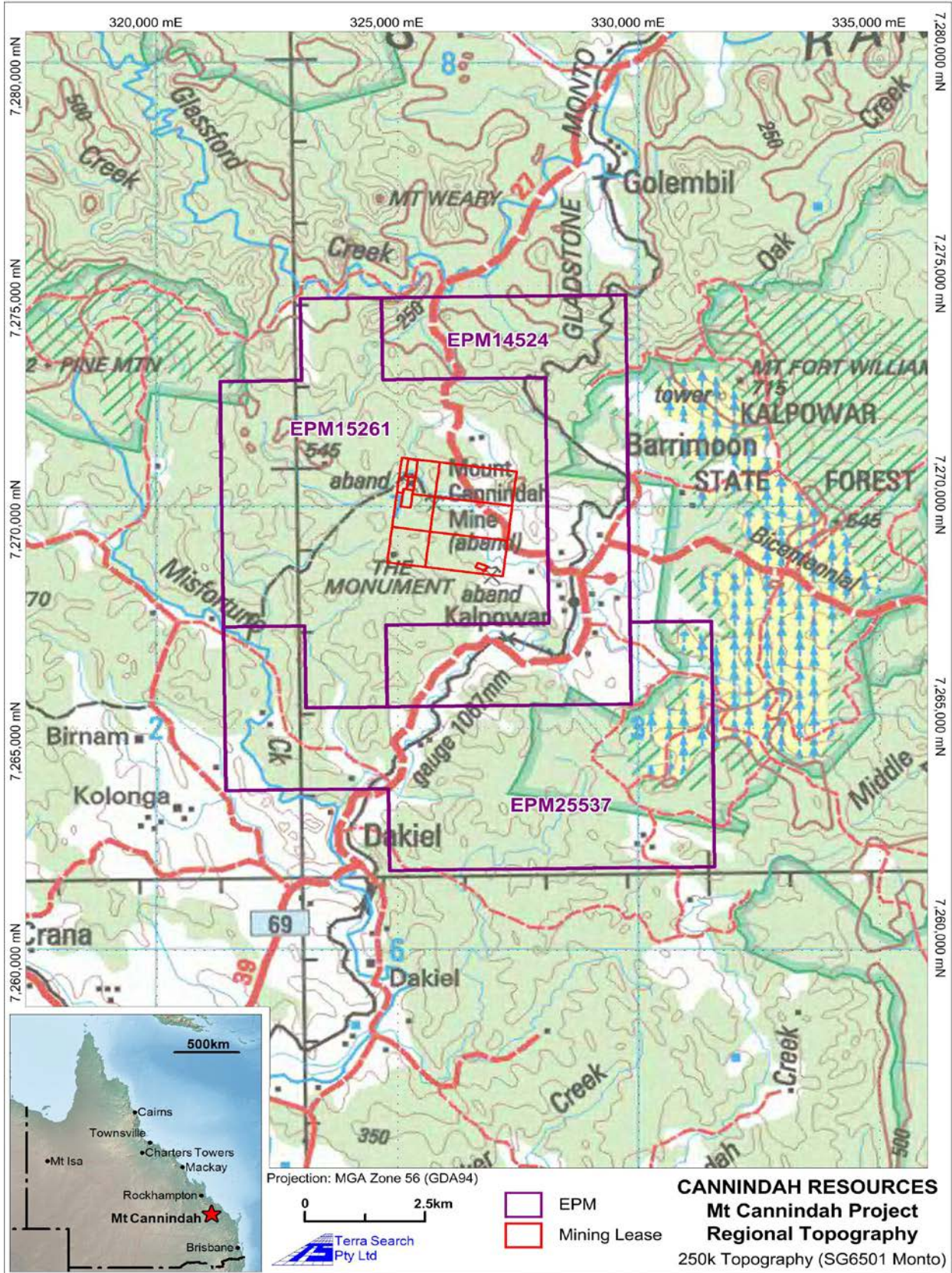


Figure 1. Location of the Mt Cannindah Project area showing Cannindah Resources tenure.

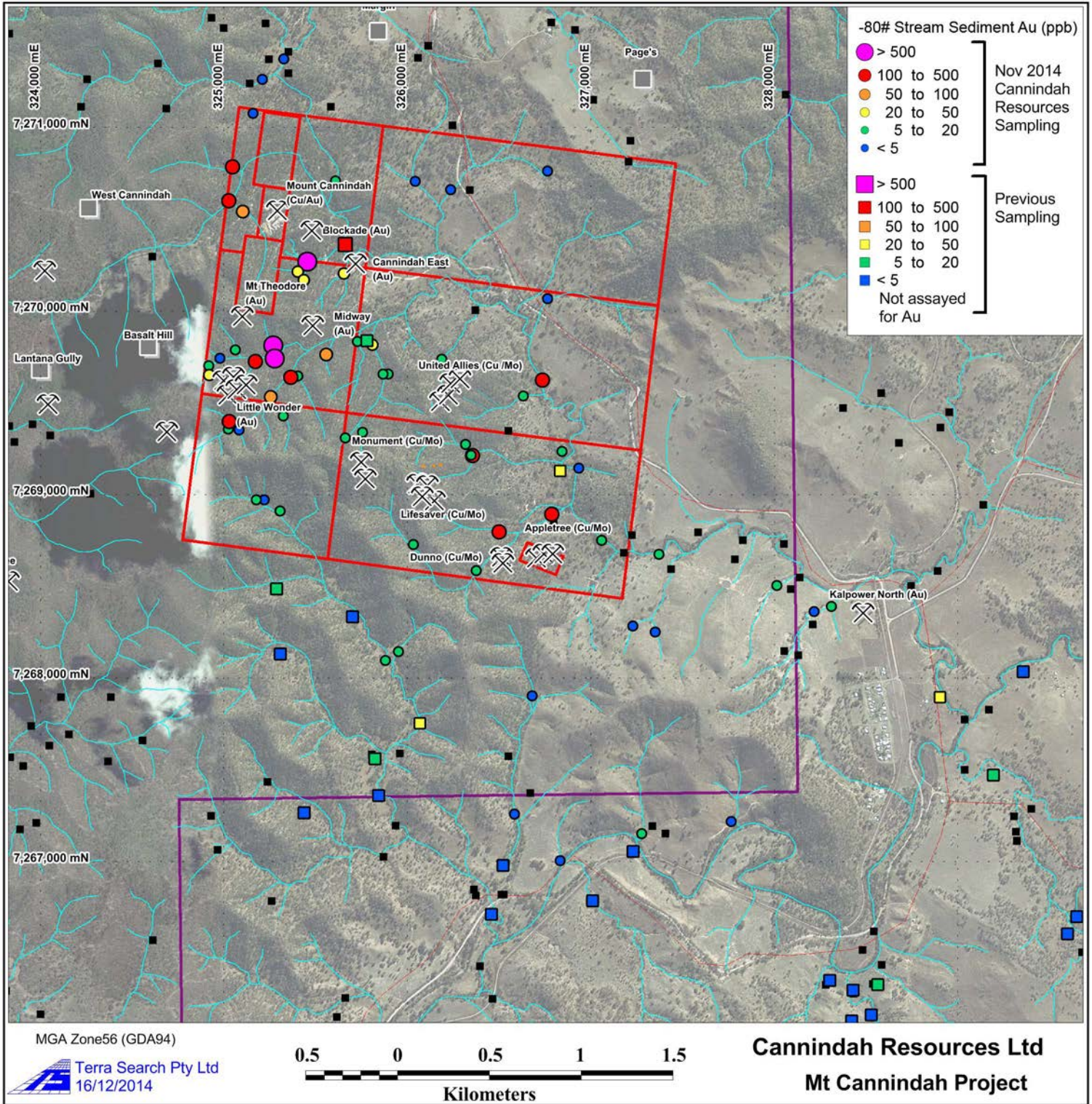


Figure 2. Location of current and previous stream sediment sampling in the Mt Cannindah Project area.

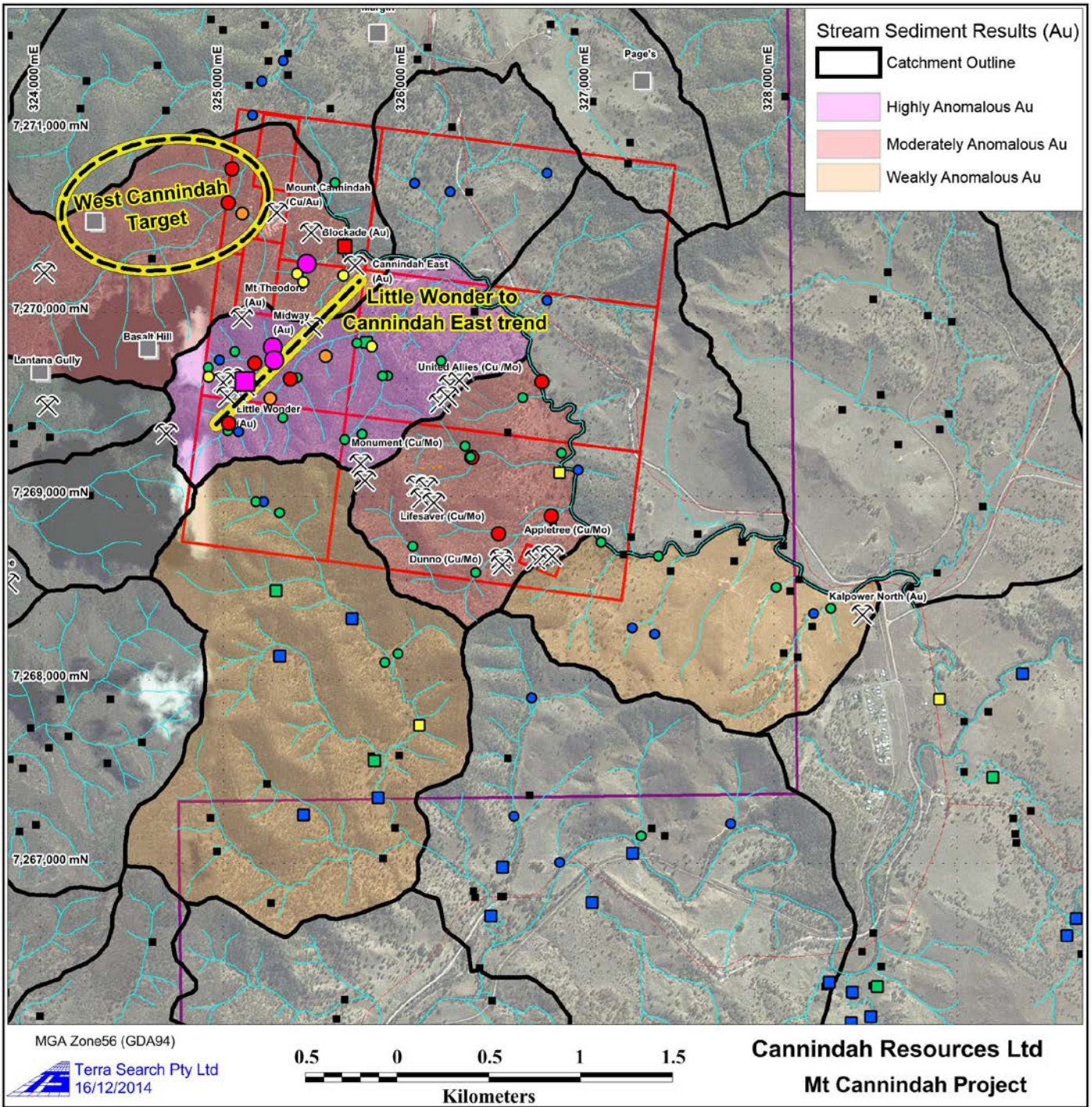


Figure 3. Showing anomalous gold catchments and Cannindah Resources targets