

Quarterly Activities Report for period ending 30th September 2015

Highlights

Double Magic Ni & Cu – West Kimberley

- Phase One & Two RC and diamond core drilling has been completed
- Assay results show RC drill hole DMRC0003 at Buxton's 100 per cent-owned Double Magic Ni-Cu project intersected 8m of massive to matrix sulphide grading 3.05% nickel and 1.87% copper, within a broader intersection of 14m @ 2.04% nickel and 1.36% copper
- A medium to high grade Ni-Cu sulphide body at Conductor D has been defined on three sides but remains open to the north-west
- The last step out hole drilled at Conductor D (diamond core hole DMDD0004) intersected 8 metres of visible Ni-Cu sulphides from 45m down hole, including 0.4m of massive sulphide from 48.1m. This intersection is approximately 35 metres north-west of that in discovery hole DMRC0003
- Disseminated sulphides and minor massive sulphides were also intersected in the diamond core hole DMDD0003 drilled at Conductor C
- Heli-borne VTEM_{max} data acquisition completed

Zanthus Ni & Cu – Fraser Range

- Buxton commenced a two hole, ~1,100m RC drilling program at its Zanthus Ni-Cu sulphide project to test two high priority conductors for Ni-Cu sulphide mineralisation
- Hole ZRC095 on conductor ZM02 was completed at 306m with a zone of disseminated pyrrhotite & minor chalcopyrite in gneiss over 20m explaining the conductor. No significant Ni-Cu mineralization was intersected
- Hole ZRC096 targeting the large ZM07 conductor at ~700m depth temporarily suspended at 256m due to difficulties associated with running sands in top 40m of the hole. ZRC096 to be continued at a later date once appropriate steel casing is manufactured
- The drilling contractor has also undertaken to re-mobilise to Zanthus and re-enter or re-drill ZRC096 at no cost to Buxton

Yalbra Graphite – Gascoyne Region

- Metallurgical results show that commercial grades of flake graphite concentrate @ 91% C(t) can be produced with 30% in the medium and coarse flake categories
- After acid leaching, the combined concentrate was upgraded to 99.5% C(t)
- Australia's highest reported grade graphite resource: 4.0Mt @ 16.2% TGC (Inferred)
- Substantial potential to expand resource along strike and down dip
- Buxton is ready to commercialise the Yalbra Graphite Project by bringing in a strategic partner for development and/or offtake

Corporate

- Buxton successfully raised \$2m for Double Magic & Fraser Range drilling by issuing 10,260,000 shares at 19.5c each
- Cash balance (30 September 2015) of approximately \$2.8 million
- Hartleys Limited Issues Research Note

Double Magic Ni & Cu – West Kimberley

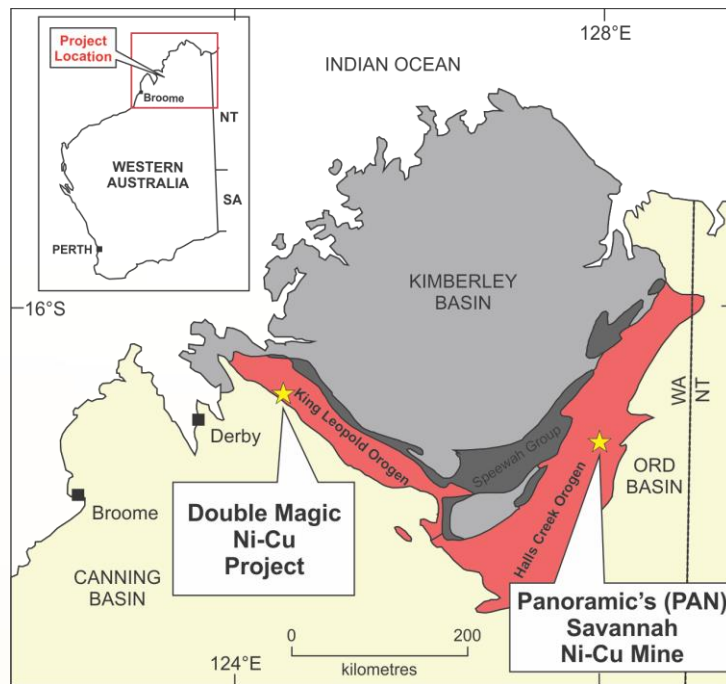


Figure 1. Location of the Double Magic Ni-Cu Project in the Kimberley region of Western Australia. Also shown is the location of Panoramic's Savannah Ni-Cu Mine.

On 10th August 2015, Buxton advised that it had discovered significant nickel and copper sulphide mineralisation in its first reverse circulation (RC) drilling program at its 100% owned Double Magic Nickel-Copper (Ni-Cu) Project in Western Australia (Figure 1).

Assay results have been received for the strongly mineralised section of the discovery RC drill hole DMRC0003 which intersected 8 metres at 3.05% nickel and 1.87% copper from 50 metres, within a broader intersection of 14 metres at 2.04% nickel and 1.36% copper from 47 metres down hole (see further details in Table 1 & 2 below).

DMRC0003 intersected 8 metres of massive and matrix sulphides from 50 metres, within a 15 metre broader zone of disseminated sulphide. There were several additional disseminated sulphide zones and one 1 metre massive sulphide zone from 41m. Note, all widths are down hole as true widths are not currently known.

The massive and matrix sulphide intersections with visible pentlandite (nickel sulphide), chalcopyrite (copper sulphide) from DMRC0003 are shown below in Figures 2 & 3. Mineralisation is hosted within metamorphosed mafic (dolerite/gabbro) rocks of the Proterozoic Ruins Dolerite.

All drill holes completed during the program have been cased for downhole EM geophysics. This downhole survey will assist with the detection of any additional off-hole EM conductors and better define the orientation of known conductive bodies.



Figure 2. RC chips from the massive and matrix sulphide zone, from 50-58m in hole DMRC0003



Figure 3. Detailed photo examples of massive sulphide (left) and matrix style sulphides (right) taken from 50-58m downhole drill intercept in DMRC0003

Phase One Drill Program Results

Final assay data for all Phase One drilling has now been received, with significant (>0.25% Ni) mineralisation intersected in a total of six drillholes. All such significant intercepts are listed in Table 1 overleaf, with details of all Buxton drillholes included as Table 2.

Recent mapping in the area of known conductors has indicated the mafic sequence/cycle may be locally overturned, and that a chromium-rich unit in the dolerites may provide vectors to possible mineralisation sites.

The presence of multiple younger, less deformed and highly magnetic dolerite dykes cross-cutting the more typical Ruins Dolerite has also been recognised (Figure 4). One of these apparently barren dykes is proximal to the mineralisation intersected in DMRC0003, and appears to have some displacement across it, suggesting dyke emplacement may have exploited pre-existing structural features. Hole DMRC0002 drilled directly down one such dyke.

Hole	Target	Intersection details					
		Depth from (m)	Depth to (m)	Downhole Width (m)	% Ni	% Cu	% Co
DMRC0001	A	140	141	1	0.30	0.12	0.010
		143	146	3	0.45	0.09	0.019
DMRC0002	D	<i>No significant intercepts</i>					
DMRC0003	D	5	8	3	0.31	0.09	0.014
		41	42	1	3.64	0.75	0.118
		46	63	17	1.78	1.16	0.060
		<i>including</i> 50	<i>58</i>	<i>8</i>	<i>3.05</i>	<i>1.88</i>	<i>0.100</i>
		72	73	1	0.35	0.22	0.012
DMRC0004	C	44	51	7	0.37	0.13	0.014
		65	69	4	0.29	0.17	0.012
		152	174	22	0.49	0.20	0.019
DMRC0005	C	<i>Hole abandoned, not sampled</i>					
DMRC0006	G	<i>No significant intercepts</i>					
DMRC0007	B	207	208	1	0.49	0.15	0.005
		217	222	5	0.58	0.35	0.027
DMRC0008	F	53	58	5	0.30	0.22	0.020
DMRC0009	E	169	171	2	0.34	0.14	0.022

Table 1 – Significant (>0.25% Ni) mineralisation intersected by Buxton. Intersections can include internal results of up to 1m below 0.25% Ni.

Mapping and down-hole TEM results from DMRC0002 indicate that a conductive source may extend down-dip from the intersection in DMRC0003, on the other side of the barren dyke. This potential down-dip extension is the most obvious initial target for Phase Two drilling.

Drillholes, topography, mapped/interpreted surface geology, and modelled conductive plates have been loaded into 3D-capable GIS software and evaluated. Ongoing interpretation and planning is being conducted on-site in a full 3D environment.

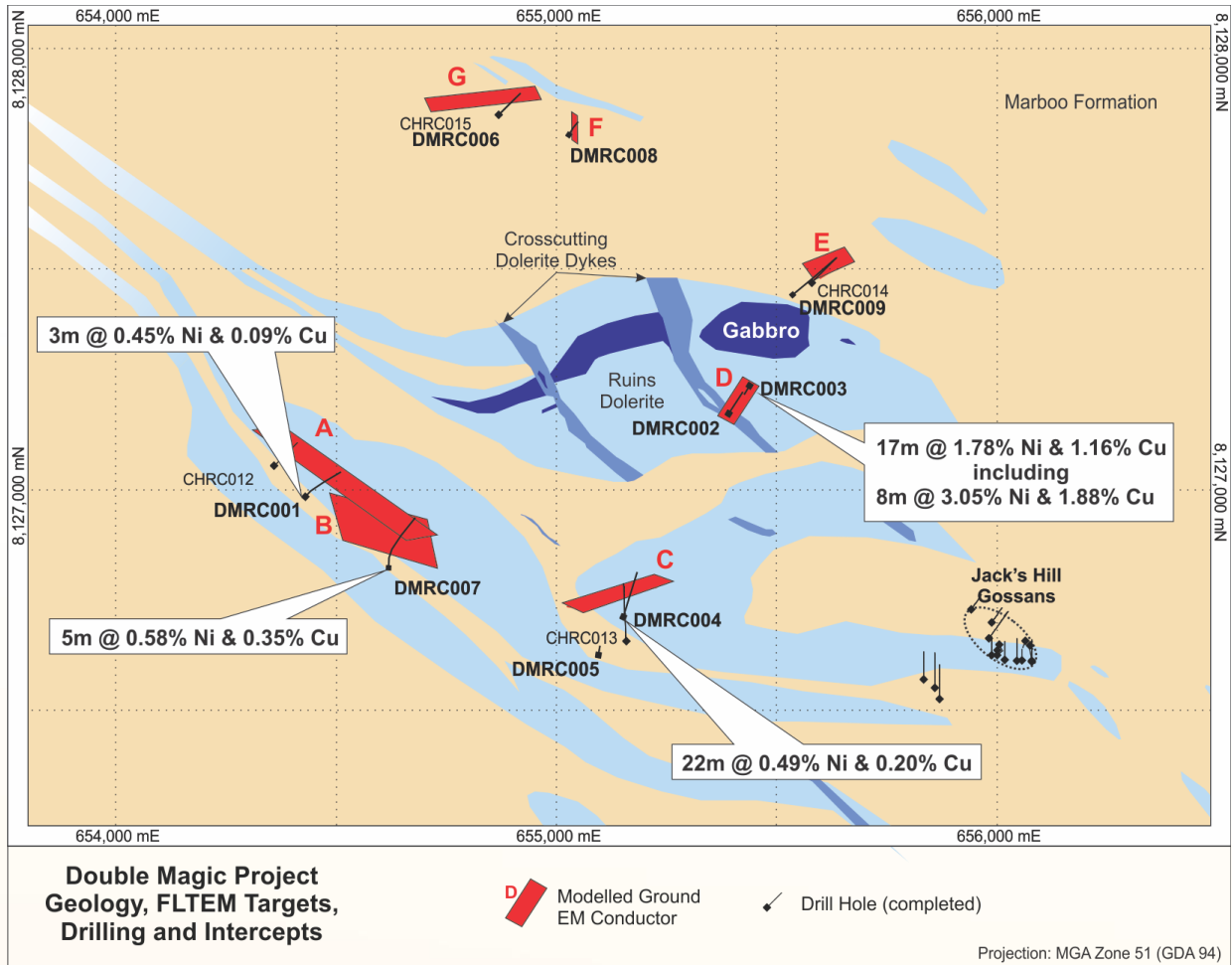


Figure 4 – Simplified map of the central area of the Double Magic Project with modelled ground EM conductors, interpreted geology, all completed drillholes at the completion of Phase 1 drilling, and selected Buxton drilling results

Table 2 – Buxton’s Completed (Phase One) Drilling at Double Magic. Coordinates are MGA Zone 51 (GDA94)

Target	Hole ID	East	North	RL	Az	Dip	EOH
A	DMRC0001	654,429	8,126,984	102	042	-65	192
D	DMRC0002	655,389	8,127,172	135	034	-50	96
D	DMRC0003	655,437	8,127,235	158	213	-75	90
C	DMRC0004	655,150	8,126,711	125	018	-55	186
C	DMRC0005*	655,095	8,126,625	105	008	-55	37
G	DMRC0006	654,870	8,127,850	86	040	-60	120
B	DMRC0007	654,620	8,126,822	96	360	-70	330
F	DMRC0008	655,031	8,127,804	89	020	-65	78
E	DMRC0009	655,539	8,127,441	101	047	-55	204
*Hole abandoned due to excessive deviation							1,333

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

Subsequent to the balance date, Buxton announced that the Phase 2 RC drilling and diamond drilling programs and most related field programs at the Double Magic Ni-Cu Project were complete, with only down-hole HP TEM surveys ongoing.

This year's exploration at the Double Magic Project has yielded a vast amount of new information including encouraging drill results at Conductors D and C. The presence of high to very high grade Ni-Cu sulphides in the area has been confirmed. On the strength of this, and as no exploration of any kind has yet been completed outside the relatively small area of historic interest around Jack's Hill, Buxton also considers the untested potential of its regional tenements to be outstanding.

Receipt of laboratory assays will enable full assessment of drilling results, this coupled with evaluation of both local DH TEM, HP FLTEM and the new regional VTEM dataset will drive planning of the next program of works for the Double Magic Ni-Cu Project.

Zanthus Ni & Cu – Fraser Range

The Company's 100% owned, highly prospective Zanthus Ni-Cu Project is located 60km along strike from Sirius Resources' Nova-Bollinger Ni-Cu discovery in the Fraser Range Nickel province, Western Australia.

The Company's drilling program targeted two conductors, ZM02 and ZM07. Hole ZRC095 on conductor ZM02 was completed at 306m with a zone of disseminated pyrrhotite and minor chalcopyrite in gneiss over 20m explaining the conductor. No significant Ni-Cu mineralization was encountered.

Zanthus hole ZRC096 targeting the large ZM07 conductor at ~700m depth has been temporarily suspended at 256m due to technical difficulties associated with running sands in the top 40m of the hole. Additionally, the drilling contractor has undertaken to re-mobilise to Zanthus and re-enter (or re-drill to the previously reached depth) ZRC096 at no cost to Buxton.

Yalbra Graphite – Gascoyne Region

Buxton reported initial flotation and acid purification test-work results for its high-grade Yalbra Graphite Project in Western Australia.

Flotation batch test results from a representative fresh rock diamond drill sample grading 20.0% C(t) returned a concentrate grade of 91% C(t). This concentrate showed a good proportion of medium to coarse flake material with 30% falling into categories above +149 microns in size (Table 1). The overall recovery of graphite was 80%, although this should be improved in future locked cycle tests. The process involved a primary grind, a rougher flotation stage, 2 stages of polishing grind and 5 cleaner flotation stages.

A final leaching stage using a combined H₂SO₄/HF solution to upgrade the concentrate was also completed and showed that a final concentrate grading 99.5% C(t) could be achieved, with the coarser size fractions grading as high as 99.7% C(t).

Yalbra is Australia's highest reported grade graphite resource at 4.0Mt @ 16.2% TGC (Inferred) and has considerable potential to be expanded along strike, and for discovery of additional resources. Additionally, Buxton has shown commercial products can be produced from its very high grade Yalbra Graphite Project. As such, the Company is now in a position to seek a development and/or offtake partner to assist in commercialising the project.

Table 1. Flotation and purification results for the Yalbra Graphite Project.

Size	Size	Assays	Assays	Distribution
		Flotation Conc.	Purified Conc.	
Microns (µm)	Tyler Mesh	C (t) %	C (t) %	C (t) %
+297 µm	+48 mesh	91.8	99.7	6.6
+149 µm	+100 mesh	90.6	99.7	22.8
+74 µm	+200 mesh	90.0	99.5	31.2
-74 µm	-200 mesh	91.7	99.1	39.5
<u>Weighted Avg.</u>		<u>90.9</u>	<u>99.5</u>	<u>100.0</u>

Corporate

During the quarter, the Company issued 10,260,000 shares at 19.5c per share to raise approximately \$2 million in a placement to sophisticated and professional investors.

Funds raised pursuant to the Placement will be used to fund:

- An intensive technical program of results assessment, field mapping, on-ground geological interpretation, structural analysis and several types of geological surveys (including down-hole EM surveys and possibly high powered ground EM surveys) at the Double Magic Ni-Cu Project;
- Phase 2 RC drilling and/or diamond drilling programmes at the Double Magic Ni-Cu Project; and
- For working capital purposes

On 22nd September, Buxton announced that leading Australian broking and corporate advisory firm, Hartleys Limited, has updated their research coverage on the Company.

A full copy of the research note is available for download on the Company's website <http://buxtonresources.com.au/investor-centre/broker-research.html>

Cash balance as at 30 September 2015 was approximately \$2.9 million.

For further information please contact:

Eamon Hannon
Chief Executive Officer
ehannon@buxtonresources.com.au

Sam Wright
Company Secretary
sam@buxtonresources.com.au

Competent Persons

The information in this report that relates to exploration results and geology for the Yalbra and Zanthus projects is based on information previously reported under the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves based on information compiled and/or reviewed by Dr Julian Stephens, Member of the Australian Institute of Geoscientists and former Non-Executive Director for Buxton Resources Limited. No material changes have occurred to this information. Dr Stephens has sufficient experience which is relevant 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 and consents to the inclusion in this report of the matters reviewed by him in the form and context in which they appear.

The information in this report that relates to in-situ Mineral Resources is based on information compiled by David Williams of CSA Global Pty Ltd and previously reported 25/2/2014. David Williams is a Member of the Australasian Institute of Mining and Metallurgy, and a Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he has undertaken, to qualify as a Competent Person in terms of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012 Edition). David Williams previously consented to the inclusion of such information in the previous report in the form and context in which it appeared. There have been no material changes to the information reported in the previous report.

The information in this report that relates to exploration results and geology for the Double Magic Project is based on information compiled by Mr Rolf Forster, Member of the Australasian Institute of Mining and Metallurgy, and Mr Derek Marshall, Member of the Australian Institute of Geoscientists. Mr Forster is an Independent Consultant to Buxton Resources Limited and Mr Marshall is a full-time employee. Mr Forster and Mr Marshall have sufficient experience which is relevant to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Forster and Mr Marshall consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

