

30<sup>th</sup> July 2014

Australian Stock Exchange Limited

**BROKEN HILL PROSPECTING LTD**  
**QUARTERLY REPORT FOR THE PERIOD TO 30th June 2014**

Broken Hill Prospecting Limited (“BPL”) is pleased to provide the following report on corporate news and activities undertaken at the Company’s 100% owned projects during the three month period ending 30<sup>th</sup> June 2014. Additional information about the Company is available at BPL’s website [www.bhpl.biz](http://www.bhpl.biz).

**Ti and Zr projects – New Exploration Licence Applications**

During the quarter BPL has assessed historical mineral sand exploration in NSW with a view to establishing a foothold in the heavy mineral sand (‘HMS’) industry where emerging technology is making significant advances in processing and recovery of titanium (Ti) and zirconium (Zr) minerals (ilmenite, rutile, leucosene and zircon) from fine-grained, large-tonnage HMS deposits.

The review identified five areas south of Broken Hill, which contain twenty known HMS prospects, all of which have been investigated by other mineral explorers including Iluka Resources Ltd, Bemax Resources Ltd (now Cristal Mining) and Westralian Sands Ltd. Several of the prospects have been shown to be of considerable size.

Broken Hill Minerals Pty Ltd, a wholly owned subsidiary of BPL, lodged applications for the five Exploration Licences (‘ELA’) (group 10, mineral sands) which have a combined area of 858 square kilometres (Table 1, Figure 1).

BPL intends to evaluate the new HMS prospects using a variety of recent exploration and development advances, many of which were not available during previous assessments of the ELA areas. The application of sonic drilling techniques to mineral exploration provides effective and total sample recovery in unconsolidated sandy overburden. It does that by retrieving a continuous, undisturbed core sample to reduce waste by up to 80% relative to conventional drilling methods. Sonic drilling can be 2-3 times faster than percussion air core drilling. BPL will consider sonic drilling to evaluate the HMS targets which the company selects to drill test.

Many of the prospects BPL has selected contain a large proportion of fine-grained heavy mineral sands and silts. Traditional separation and recovery processes for heavy minerals in fine-grained sands are difficult and costly. BPL will investigate new developments in spiral separators, which have recently focused on the processing of fine mineral particles. New spiral separators can effectively treat HMS material <0.1 mm diameter.

Other, recent mineral separation applications for fine grain size sands include the Allflux process which is based on the fluidised bed principle and uses a two-step process to eliminate pre-thickening. Fine particles form an autogenous fluidised bed on which lightweight material floats and can be removed.

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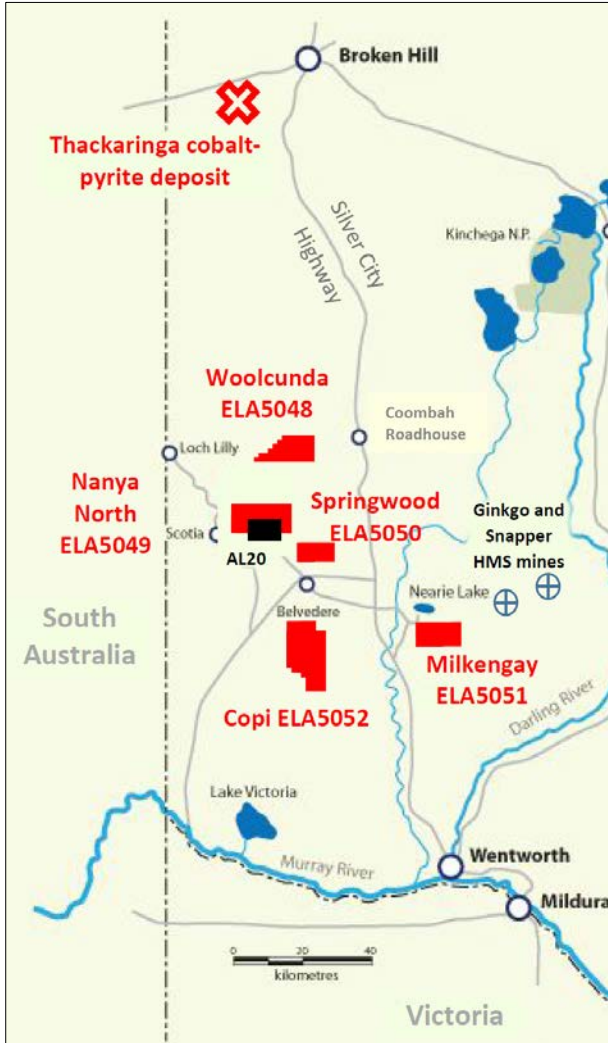


Table 1. Summary of group 10 EL Applications

ELA (Group 10, mineral sands)	area		HMS Prospects
	units	km <sup>2</sup>	
Woolcunda ELA5048	59	171	Magic, Majar
Nanya North ELA5049	40	116	Massidon, Strand A, Strand B, Nanya 1, Plain Tank
Springwood ELA5050	32	93	Springwood
Milkengay ELA5051	65	188	N226(N265), N264, 500, Milkengay
Copi ELA5052	100	290	Copi, Bulli, Circus, Wemba, Tarawi, Yabbi and Nulla
<i>Total</i>	296	858	

Figure 1 Location map of heavy mineral sand EL Applications.

BPL's entry into heavy mineral sands projects is a timely addition to the Company. It adds another strategic metal component to BPL's very large cobalt-pyrite resources and the Company's plans to develop a parallel sulphuric acid industry when the cobalt project is progressed.

Titanium and zirconium, like cobalt, are metals of the future. They are used in numerous applications, especially in paints, ceramics, paper and building industries. Supply and demand dynamics of increasing urbanisation and technology advances are likely to underpin future value growth in these important metals.

BPL's assessment of the HMS prospects south of Broken Hill will benefit from many recent advances in exploration and processing of fine-grained heavy mineral sands, which were not available at the time other companies assessed the mineral sand deposits in the EL Application areas.

Some of the ilmenite separated from HMS mining could be amenable for upgrading to titanium pigment through the use of sulphuric acid. This may also aid BPL's plans to establish a sulphuric acid industry associated with cobalt recovery from the company's Thackaringa cobalt deposits.

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### **Study on Sulphuric Acid**

A business model study was completed by students at the Australian Graduate School of Management as part of their MBA Graduate course. The purpose of the Graduate Study was to assess a business model to produce sulphuric acid from cobalt pyrite concentrate produced from the Company's cobalt pyrite deposits ("Thackaringa Project") near Broken Hill.

As set out in the announcement released to the ASX on 14<sup>th</sup> April 2014, the Company intends to use the results of the Graduate Study to further progress evaluation and development of the Thackaringa Project. This may include drill testing to better define the Inferred Mineral Resource, as well as metallurgical work and other studies to determine whether the Company is able to establish an Indicated Mineral Resource on which to base a sulphuric acid and cobalt recovery business.

### **BPL Share Purchase Plan completed**

In April shareholders of the Company were offered participation in a Share Purchase Plan (SPP). Each eligible shareholder had an opportunity to purchase additional shares in BPL. The SPP closed on 6 May 2014 and raised \$260,000 from 52 subscriptions.

### **Newsletter**

News and information concerning sulfuric acid, cobalt and other items of interest were reported in BPL's July 2014 newsletter which has been forwarded to Shareholders. This tenth edition of BPL's popular newsletter containing summary information on the SPP and also news on industry events which are related to the business of the company. The July Newsletter can be viewed or downloaded from BPL's ([www.bhpl.biz](http://www.bhpl.biz)).

### **Cobalt Research**

Emma Cohen has completed her BSc thesis studies at the School of Biological, Earth and Environmental Sciences, University of New South Wales. Emma's research study is entitled "*The Effect of Deep Weathering on Cobaltiferous Pyrite: A case study on the Thackaringa Cobalt Deposits*".

The study investigated the weathering of BPL's cobalt-pyrite rock. Her work found that residual profiles exposed in shafts and drill samples have been altered to a silica-dominated saprolite with minor preservation of a mottled zone or duricrusts and partially preserved or developed pallid zone. The sulphides have been replaced by gossans displaying both box-work and more massive styles. Within some zones near the fresh rock-saprolite boundary sulphides have been replaced by a mixture of Fe-oxyhydroxides (goethite and hematite), jarosite and sulphur. Areas of low relief are covered with varying depths (to ~5m) of transported cover dominated by quartz, secondary Fe-oxides, kaolinitic clays and some partially weathered materials, along with variable amounts of calcrete. Soil and stream sediment pH values generally range from 6.5 - 8.0.

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*In situ* regolith profiles derived from the mineralised zones are largely depleted in cobalt and some other mobile chalcophile elements (including the gossans derived from the pyritiferous strata). Despite high cobalt concentrations in the primary sulphides, even Fe-rich *in situ* regolith contains <5 ppm cobalt. Similar trends are displayed by nickel and zinc. There are indications of supergene enrichment of arsenic and molybdenum. Analysis of soils and stream sediments surrounding both Pyrite Hill and Big Hill indicate that Co, Ni and Mo are not being retained within the surficial secondary environment, despite the presence of Fe oxyhydroxides and carbonates. There is a weak cobalt biogeochemical anomaly in saltbush (*Atriplex vesicaria*). Adsorption isotherms established experimentally on representative materials of the regolith samples indicate low adsorptive capacity of the soils and *in situ* weathering products of the sulphides.

### **Presentation on Cobalt**

A poster paper on the research results from Emma Cohen's research was presented at the Australian Earth Sciences Convention between 7-10 July (Newcastle). The poster entitled "Where has all the cobalt gone? Regolith geochemistry of cobaltiferous pyrite deposits, Broken Hill, NSW" was prepared by Emma Cohen, David Cohen, Ian Graham (from the UNSW) and Ian Pringle (BPL) and received considerable interest.

### **BPL attended the Resources Investment Symposium, Broken Hill**

BPL hosted a booth and gave a presentation at Symposium's annual Resources Investment Symposium in Broken Hill between 25-28 May. The symposium provided the opportunity for shareholders and investors to meet the BPL team as well as learn about other mining and exploration developments.

### **Retirement from the Board of Geoff Hill and appointment of Matt Hill**

Founding Director Geoffrey (Geoff) Guild Hill stepped down as a Director of the Company and its wholly owned subsidiaries Broken Hill Uranium, and Broken Hill Chemical on 30<sup>th</sup> June 2014. Geoff was a founding member of the Company which has been exploring the Broken Hill area since 1986 and listed on the ASX and NZSX in February 2011 after a successfully Initial Public Offering. Geoff will continue to provide his ongoing support, advice and commitment to BPL and will remain a major shareholder in the Company.

Geoff has retired in order to reduce his workload and spend more time on his passion for sailing. The BPL Board and management team are very grateful for Geoff's friendship as well as his invaluable contribution and stewardship of BPL and wish him the very best for the future.

Matthew (Matt) Geoffrey Hill was appointed a BPL Director on 6<sup>th</sup> June, 2014. Matt is the Chief Executive Officer of New Talisman Gold Mines Ltd, a substantial shareholder of BPL. Matt has a merchant banking background in resources and company listings having worked previously at Potter Warburg; Eventures (a joint venture between News Corp and Softbank); Pitt Capital and Souls Private Equity Limited. Matt is also a Director of International Pacific Capital, and Managing Director of So Co Limited (an unlisted public company).

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I look forward to keeping shareholders informed as Broken Hill Prospecting progresses on these recent, new initiatives.

Yours faithfully,



Ian J Pringle  
(Managing Director)

**Competent Person Statement**

*Exploration activities and results contained in this letter are based on information compiled by Dr Ian Pringle, a Member of the Australasian Institute of Mining and Metallurgy. Dr Pringle is the Managing Director of Broken Hill Prospecting Ltd and also a Director of Ian J Pringle & Associates Pty Ltd, a consultancy company in minerals exploration. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). The Inferred Mineral Resource was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Potential is reported under JORC Code 2012. It is conceptual in nature and more drilling is required to further define it. However, there is no certainty that additional work will result in an upgrade of potential to Mineral Resource. Dr Pringle has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

**About Broken Hill Prospecting Limited (“BPL”)**

*BPL is progressing with exploration and evaluation of cobalt-pyrite deposits in the Broken Hill area within two exploration tenements (EL6622 and EL8143) and two mining leases (ML86 and ML87).*

*BPL is in an excellent position to take advantage of an increasing demand for cobalt and sulphuric acid to meet growth in environmental and industrial uses ranging from rechargeable batteries in automobiles to titanium processing and fertiliser production.*

**Tenements** *The interests in mining tenements held by Broken Hill Prospecting Limited at the end of the quarter and the related percentage of ownership:*

*Exploration Licence 6622, Broken Hill NSW Australia - 100%*

*Exploration Licence 8143, Broken Hill NSW Australia - 100%*

*Mining Lease 86, Broken Hill NSW Australia - 100%*

*Mining Lease 87, Broken Hill NSW Australia - 100%*

*Applications for the following Exploration Licence Applications have been lodged by Broken Hill Minerals Pty Ltd, a wholly owned subsidiary of BPL for Group 10 (mineral sand deposits): Woolcunda (ELA5048), Nanya North (ELA5049), Springwood (ELA5050), Milkengay (ELA5051) and Copi (ELA5052).*

**Exploration Activities** *No on-site activities relating to exploration, production or development have been undertaken during the period.*

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**Growth of BPL assets since ASX listing and IPO in February 2011**

Since listing on the ASX in February 2011 BPL’s technical team has undertaken several drilling and sampling campaigns and has considerably increased the value of BPL’s minerals assets. Estimates of the project’s resources have more than doubled to 35.7 million tonnes of 1.85 pounds per tonne cobalt (0.084% Co) and potential for an additional 37-59 million tonnes of between 0.0775-0.084% Co has been added. The Potential is conceptual and more drilling is required to further define it. There is no certainty that this will result in a Mineral Resource. Clearly, the size of BPL’s mineral inventory (Table 2) has grown nearly five-fold and many mapped areas of cobalt-pyrite rock have yet to be drill tested.

The mineralisation has shown to be a valuable feed source for sulphuric acid production, an important chemical which is commonly imported into Australia and which is integral in processing many mineral resources and for industrial applications.

BPL has identified a growing east Australian demand for imported sulphuric acid and new, local production of sulphuric acid will provide the company with an opportunity to capitalise on this market. Future processing options for the Company’s cobalt pyrite could also benefit from electricity generated from process steam. Sale of the fine-grained iron (hematite) residual following cobalt recovery could also contribute to revenue.

Table 2. Mineral resource base of Broken Hill Prospecting Ltd, Thackaringa Co-pyrite deposit.

<b>Mineral Resources</b>	<b>ASX listing, February 2011</b>	<b>June 2014</b>
Pyrite resource estimate (Inferred Resource)	15 million tonnes (Mt) of 0.085% Co (12.75 tonnes (t) of contained cobalt)	<b>35.7 Mt of 0.084% Co (30.0t contained cobalt)</b>
Potential* pyrite resource estimate (additional to Inferred Resource)	None identified	<b>37 - 59 Mt of 0.0775 – 0.084% Co (28.7-45.7t contained cobalt)</b>

\*The Potential is conceptual and more drilling is required to further define it. There is no certainty that this will result in a Mineral Resource – refer below.

**Estimate of Potential (Exploration Target)**

The Inferred Mineral Resource was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Potential is reported under JORC Code 2012. H&S Consultants Pty Ltd undertook a Mineral Resource Estimation (JORC 2004) for the Pyrite Hill, Big Hill and Railway cobalt-pyrite deposits with the assay and survey data collected from 66 percussion (RC) and diamond drill holes and both one and two metre sample intervals. The details of these studies are reported in ASX announcements by the Company on 14 November, 2011 and 27 July 2012.

Cross sections were constructed along the strike of the mineralisation and a model was built to define the hanging wall and footwall surfaces. Estimates were completed on blocks within the overall envelope using data from that volume. Composites were created and Inferred Resource estimates were completed using data occurring inside the mineralised envelope. The upper and lower contacts were easily identifiable from cobalt grades with the mineralisation generally corresponding to a sharp transition from low grade intervals to those above 500 ppm cobalt. The average of all composites inside the mineralised volume was 740 ppm cobalt. A specific gravity of 2.80g/cc was used.

After a 75x75x15 metres search size with between 10 and 32 two metre composites was used to estimate Inferred Resources the Potential was estimated on a search size of

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150x150x30 metres designed to largely fill the modelled mineralised volume with cobalt estimates. Ordinary kriging based on two different resource estimation software packages was used.

Potential mineralisation lies outside of the Inferred Mineral Resource because of the absence of nearby drilling. By extending the search distance within the 3D mineralisation the model target size is between 37Mt and 59Mt at a grade between 1.70 – 1.85 pound per tonne cobalt. This target is approximate and conceptual in nature and more drilling is required to further define it. There is no certainty that this will result in a Mineral Resource.

### **Proposed exploration activities to test the Potential**

The Company proposes to undertake close-spaced drilling of the areas defined as Potential and the planned drill holes will be spaced at about 50 metre centres and drilled to an average depth of approximately 150 metres. This drilling is planned during late 2014 and 2015 after the Company secures funding or a partner to assist with the work. Metallurgical test-work, mapping and outcrop sampling from throughout the deposits prior to the drilling will assist in locating future drill site locations.

### **Cobalt Statistics**

- Cobalt price (cobalt metal traded on the London Metal Exchange) ranged between USD29,000 – USD30,750 during the period 1 April to 30 June 2014).
- Mines in Central Africa accounted for approximately 60% of cobalt production in 2012 and most came from the Democratic Republic of Congo.
- The USA accounted for over 50% of cobalt consumption in 2012.
- The USA, Japan, and the European Union have no producing cobalt mines.
- China imported ore from Africa and produced >40% of refined cobalt production in 2012.
- Many lithium-ion batteries contain up to 60% cobalt and will be widely used in the new generation of electric vehicles.
- Cobalt is used in a wide range of industries (including production of super alloys and hardened metals) where high heat and wear tolerance is required (aircraft, turbines, windmills, military hardware), high-strength magnets, carbides and diamond tools, catalysts (petroleum production), colouring (cobalt blue), adhesive, soaps, driers and food supplements (vitamin B12).

### **Sulphuric Acid Information**

In volume terms, sulphuric acid ( $H_2SO_4$ ) has the largest world-wide use of any chemical..

- The production of phosphate fertiliser materials is the major end use for sulphuric acid, accounting for nearly half of total world consumption.
- Other uses include manufacture of plastics, fibers, oil refining, metals and mineral processing.
- Overall, there has been a general increase in demand for sulphuric acid with world consumption increasing by about 58% between 1990 and 2011.
- Future growth in sulphuric acid use is anticipated as increasing populations in developing countries switch to higher nutrition food crops that require soil improvement.
- In a recent report on sulphuric acid supply and demand, HIS Chemical (July 2012) predicted that global demand for sulphuric acid would rise at an average annual rate of almost 2.5% over the next five years.
- Global pyrite production was about 6.7mt (sulphur equivalent) in 2009 and has increased since then. More than 85% is produced and consumed in China.
- Pyrite competes directly with sulphur and by-product sulphuric acid (from smelters and mineral processing). Fluctuations in the availability of these products have a direct impact on the supply and demand of pyrite as well as trade price for concentrate.
- Recent purchases of high-grade pyrite concentrate by the China market have ranged between A\$250-A\$400/tonne.
- Residue from 'roasted' pyrite concentrate may have considerable commercial value. Cinder which is produced as a very high-iron ash residue after pyrite roasting is extensively used in the cement industry.

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**Contacts for further information:**

Dr Ian Pringle, Managing Director, Broken Hill Prospecting Ltd +61 408 548 767 [ipringle@bhpl.biz](mailto:ipringle@bhpl.biz)  
Australian media – Alan Deans (pictured below on outcrops of cobalt-pyrite rock), Partner, Last Word  
Corporate Communications +61 427 490 992 [alan.deans@lastwordcc.com.au](mailto:alan.deans@lastwordcc.com.au)

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*Broken Hill Prospecting Ltd has a website which covers recent developments in  
pyrite roasting to produce sulphuric acid (<http://brokenhillchemical.com>).*

*Please also visit our main website site at [www.bhpl.biz](http://www.bhpl.biz)*

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# Appendix 5B

## Mining 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

Name of entity

Broken Hill Prospecting Limited

ABN

83 003 453 503

Quarter ended ("current quarter")

30 June 2014

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date ( 12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	-	(55)
(b) development	-	-
(c) production	-	-
(d) administration	(176)	(625)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) R&D tax incentive	-	345
<b>Net Operating Cash Flows</b>	<b>(174)</b>	<b>(328)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>-</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(174)</b>	<b>(328)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(174)	(328)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	243	243
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>243</b>	<b>243</b>
	<b>Net increase (decrease) in cash held</b>	<b>69</b>	<b>(85)</b>
1.20	Cash at beginning of quarter/year to date	210	364
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>279</b>	<b>279</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	81
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries, fees and consulting services at standard commercial rates.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

n/a

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

n/a

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	20
4.2 Development	-
4.3 Production	-
4.4 Administration	140
<b>Total</b>	<b>160</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	279	16
5.2 Deposits at call	-	194
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>279</b>	<b>210</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	n/a		
6.2	Interests in mining tenements acquired or increased	n/a		

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

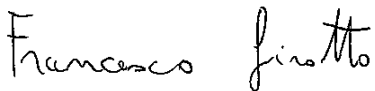
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	88,359,660	88,359,660	n/a	n/a
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	5,777,760	5,777,760	4.5 cents	4.5 cents
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>	38,650,000	Nil	<i>Exercise price</i> 20c	<i>Expiry date</i> 17/2/2016
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		

+ See chapter 19 for defined terms.

7.12	Unsecured notes (totals only)	-	-
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## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.


  
 30/7/2014

Sign here: ..... Date: .....  
(Company secretary)

Print name: Francesco Girotto

## 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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.