

31 July 2013

QUARTERLY REPORT – 30 June 2013

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 30 June 2013.

Yours faithfully
Cape Lambert Resources Limited

Tony Sage
Executive Chairman

Cape Lambert is an Australian domiciled, mineral investment company. Its current investment portfolio is geographically diverse and consists of mineral assets and interests in mining and exploration companies.

The Company continues to focus on investment in early stage resource projects and companies, primarily in iron ore, copper and gold. Its "hands on" approach is geared to add value and position assets for development and/or sale.

The Board and management exhibit a strong track record of delivering shareholder value.

Australian Securities Exchange Code: CFE

Ordinary shares
679,691,942

Unlisted Options
10,765,000 (\$0.29 exp 22 Nov 2013)

Board of Directors

Tony Sage Executive Chairman
Tim Turner Non-executive Director
Brian Maher Non-executive Director
Ross Levin Non-executive Director

Claire Tolcon
Company Secretary

Key Projects and Interests

Marampa Iron Ore Project
Pinnacle Group Assets
International Goldfields Limited
Cauldron Energy Limited

Cape Lambert Contact

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HIGHLIGHTS

Corporate

- At 30 June 2013, the Company had approximately A\$17million in cash at bank.
- Post quarter end, the Company completed the sale of Cape Lambert Leichhardt Pty Ltd, the holder of the Leichhardt Copper Project for A\$14.75million (A\$4million was received during the quarter as a non-refundable deposit with the balance received at completion). In addition to the consideration from the sale, the Company has received its transitional funding of the Leichhardt Copper Project from 1 May 2013 until completion and will have A\$5.6million in environmental and cash bonds released in the September 2013 quarter.

Projects

Marampa Iron Ore Project

- An update to the 15 Mtpa Scoping Study was completed to account for African Minerals Limited's decision not to proceed with building a deep water port at Tagrin.
- Updated financial metrics include after tax NPV_{10%} of US\$1.17 billion, an internal rate of return of 21.5% and after tax cash flows of US\$4.73 billion.
- Environmental Licence for the Marampa Project was granted by the Sierra Leone Government during the quarter.
- The Mining Licence application will be lodged with the Sierra Leone authorities during the September 2013 quarter.

Sandenia Project

- Gold potential has been identified in the locality and is currently being investigated.

Rokel Project

- Evidence of extensions to the specular hematite mineralisation discovered along strike and south of the Kumrabai prospect in the Mawanka Licence.

CORPORATE

Strategy and Business Model

Cape Lambert Resources Limited (“Cape Lambert” or the “Company”) (**ASX: CFE**) is an Australian domiciled, resources and investment company, with interests in a number of resource projects and companies.

Through strategic acquisitions and subscriptions to convertible notes the Company has exposure to iron ore, copper, gold, uranium and phosphate assets in Australia, Greece, Africa and South America (refer Figure 1).

The Company’s strategy is to acquire and invest in undervalued and/or distressed mineral assets and companies (“Assets”), and to add value to those Assets through a hands on approach to management, exploration and evaluation to enable the Assets to be converted into cash at a multiple, and to retain exposure to the Assets through a production royalty and/or equity interest. As Assets are converted into cash, the Company intends to follow a policy of distributing surplus cash to Shareholders.

Capital Management

On Market Buy-Back

During the quarter, the Company continued with its on market share buy-back of up to 10% of the Company’s fully paid ordinary shares (“Shares”) within the 12 months from 18 December 2012 (refer ASX Announcement dated 18 December 2012). Shares bought back by the Company are subsequently cancelled.

Canaccord Genuity (Australia) Limited has been appointed by the Company to act as broker to the on market share buy-back.

During the quarter, the Company bought back 7,697,716 Shares for total consideration of A\$1,031,112.76. As at 31 July 2013, there are 59,394,029 Shares remaining that may be bought back under this facility.

Asset Divestment

Leichhardt Copper Project

During the quarter, the Company announced that it had entered into an agreement for the sale of its wholly owned subsidiary Cape Lambert Leichhardt Pty Ltd, the holder of the Leichhardt Copper Project (“Leichhardt Project”) (“Transaction”). Post quarter end, the Transaction was completed.

Pursuant to the terms of the Transaction, the Company received a total consideration of A\$14.75million plus costs incurred in operating the Leichhardt Project from 1 May 2013 until completion. Additionally, the Company will have A\$5.6million of environmental and cash bonds relating to the Leichhardt Projects returned to it in the September 2013 quarter.

The Company has agreed to provide transitional management services for approximately 4 months, post completion of the Transaction. The costs for these management services will be re-charged to the new owner of the Leichhardt Project.

Legal Action and Disputes

ATO Notice of Amended Tax Assessment and Associated Penalty Notice

In May 2012, the Company received a Notice of Amended Assessment from the Australian Taxation Office (“ATO”), together with an associated penalty notice (“Amended Assessment”). The Amended Assessment results from an audit by the ATO and relates to a number of issues which the Company disputes. The additional income taxes payable that have been assessed by the ATO primarily relate to the following key matters:

- From the sale of the Cape Lambert Iron Magnetite Project to MCC from China, the ATO has assessed that income tax should have been paid in 2009 on the fair value of the contingent receivable due from MCC and have determined a fair value of A\$56,300,000 (tax effect of A\$16,890,000) for this purpose.
- The ATO has assessed that deductions claimed for exploration arising from the acquisition of the Lady Annie and Lady Loretta projects in the 2009 year of A\$137,526,510 (Tax effect of A\$41,257,953) were not immediately deductible against 2009 taxable income. These deductions would then be realized in subsequent years when these projects were sold; and
- Following the adjustments above, the ATO have also assessed other adjustments that give rise to an increase in carried forward tax losses amounting to A\$1,684,128 (tax effect of A\$505,238).

The Company has lodged an objection in relation to the Amended Assessment.

Following discussions with the ATO during the December 2012 quarter in respect to the Amended Assessment, the Company reached an agreement with the ATO to pay half of the primary tax and shortfall interest charge assessed pending the outcome of the objections lodged by the Company.

Under this arrangement, a total of approximately A\$33,300,000 has been paid by the Company. As and from date of this payment, the rate of general interest charge accruing on the unpaid balance of disputed tax and shortfall interest charge will be reduced by half.

No further amounts will be required to be paid by the Company until the final determination of the dispute and no collection action will be taken by the ATO until this time. If the dispute is resolved in the Company’s favour, then the amounts paid will be repayable together with interest at the prescribed rate.

MCC Legal Action

On 8 September 2010, Cape Lambert announced that it had commenced legal action against MCC Australia Sanjin Mining Pty Ltd (“MCC Sanjin”), and its parent company Metallurgical Corporation of China Limited (collectively “MCC”) to recover the final A\$80 million payment from the sale of the Cape Lambert magnetite project in mid-2008 pursuant to an agreement between the parties (“MCC Agreement”). In accordance with the terms of the MCC Agreement, Cape Lambert received payments totalling A\$320 million in 2008, with the final payment due on the grant of mining approvals, or if MCC has not used its reasonable endeavours to procure the mining approvals, within two years.

Legal proceedings were instigated in the Supreme Court of Western Australia after discussions between MCC and Cape Lambert to resolve the non-payment proved unsuccessful.

In August 2012, the Court made orders, inter alia, for the dispute to be determined by an arbitrator in Singapore and for the Company to propose (such proposal to be consented to by the MCC parties) that the dispute between the Company and MCC China (in respect to the payment of A\$80million into an escrow account pending determination of the primary dispute) be heard and determined by the arbitrator prior to the hearing of the disputes between the Company and MCC Sanjin.

The Company has referred the dispute to arbitration in Singapore which is expected to be heard in late 2013. During the quarter an application was heard by the arbitrator to determine the “escrow dispute”. A decision on this issue is expected in the near future.

PROJECTS

Marampa (100% interest)

Marampa is an iron ore project at development and permitting stage, and is located 90km northeast of Freetown, Sierra Leone, West Africa ("Marampa" or "Marampa Project") (refer Figure 2). Marampa comprises two granted exploration licences (EL46A/2011 – 239.18km² and EL46B/2011 – 66.00km² (formerly EL46/2011 – 305.18km²)) held by Marampa Iron Ore (SL) Limited, which is indirectly, a wholly owned subsidiary of Cape Lambert.

Marampa has a total JORC Mineral Resource of 681 million tonnes ("Mt") at 28.2% Fe (above a cut-off grade of 15% Fe) covering four deposits (Gafal, Matukia, Mafuri and Rotret) (refer ASX Announcement 7 July 2011).

An Infrastructure Agreement with African Minerals Limited (AIM: AML) ("AML" or "African Minerals") (and their subsidiaries) provides Marampa with access rights to export 2Mwtpa (wet - equivalent to 1.8Mtpa dry) of concentrate via the recently refurbished and currently operational Pepel rail and port infrastructure (refer ASX Announcement 16 April 2012). Additionally, AML has an option to purchase 2Mwtpa of Marampa concentrate at mine gate for the first 3 years of production.

Exploration

No exploration activities occurred on the Marampa Project during the quarter. Samples from pit excavations in the Robelor Prospect submitted during the previous quarter are still awaiting processing through the sample preparation facility and are expected to be completed during the September 2013 quarter.

A number of drilling programs have been prepared to test the Robelor Prospect and the Gafal West and Mafuri structural interpretations. These will form part of the future exploration program once the Marampa Project is sold.

Topographic Surveying

A detailed topographic survey over the proposed tailings storage facility commenced during the quarter. The majority of the survey has been completed and will be finalised during the September quarter (refer Figure 3 for progress).

Rail and Port Agreement with African Minerals Limited

In December 2012, African Minerals announced that it would no longer be building a port at Tagrin, but rather expanding its existing Pepel infrastructure. As a result of this, a revision to the binding infrastructure agreement between the Company's wholly owned subsidiaries Marampa Iron Ore (SL) Limited, Marampa Iron Ore Limited and AML together with its majority owned subsidiary African Railway & Port Services (SL) Limited (refer ASX Announcement 16 April 2012) is being negotiated. It is expected that this revised agreement will be completed and executed by the relevant parties during the September 2013 quarter.

Technical Studies

Updating of the 15 Mtpa Scoping Study ("15 Mtpa Scoping Study Update") was completed during the quarter. The updated scoping study was necessary due to AML's decision not to proceed with building its deep water port at Tagrin.

The 15Mtpa Scoping Study Update was based on a staged development, with Stage 1 mining and processing the softer oxide ores at a design rate of 2.5Mtpa of concentrate production, with the concentrate transported and exported via the Pepel rail and port infrastructure. A Stage 2 expansion increases concentrate production to 10Mtpa within 18 months of commissioning Stage 1. A Stage 3 expansion increases the concentrate production to 15 Mtpa within 12 months of Stage 2 commissioning, resulting in a 16 year mine life based on the current mineral resource inventory. The Stage 1 development was based on Marampa utilising AML's Pepel Infrastructure to export 1.8Mtpa of concentrate, whilst the Stage 2 and Stage 3 development assumed that concentrate would be pumped to and exported from a Marampa owned transshipping port located at Tagrin point.

The Stage 1 capital investment was estimated at US\$368M, whilst the Stage 2 expansion was estimated at US\$1,253M and Stage 3 at US\$716M, for a total capital investment of US\$2,337M. The average life of mine operating cost was estimated at US\$53 per tonne of concentrate, free on board ("FOB").

The 15Mtpa Scoping Study Update base case (at \$US100/t FOB concentrate sale price) returned robust financial metrics including an ungeared (100% equity) after tax NPV_{10%} of US\$1.17 billion, an internal rate of return of 21.5% and after tax cash flows of US\$4.73 billion.

Environmental and Social Impact Assessment

The project's Environmental and Social Impact Assessment ("ESIA") study, lodged with the relevant Sierra Leone authorities on 18 October 2012 was approved in April 2013. The Environmental Licence for the project was issued in April 2013.

Mining Licence

Documentation for the project's mining licence application was prepared during the quarter and will be lodged with the relevant Sierra Leone authorities early during the September 2013 quarter. It is anticipated that the Mine Lease agreement can be negotiated and issued by the December 2013 quarter.

Kukuna Iron Ore Project (100% interest)

The Kukuna Iron Ore Project ("Kukuna Project" or "Kukuna") is located 120km northeast of Freetown in the northwest of Sierra Leone and consists of one exploration licence (EL22/2012) covering 68km² (refer Figure 2). The licence is located 70km due north of the Marampa Project and the Pepel Infrastructure and comprises rocks that correlate with the Marampa Group stratigraphy known to host specular hematite mineralisation.

Exploration

No exploration activities occurred during the quarter. A 6,650m Rotary Air Blast ("RAB") drilling program from 190 holes to investigate areas previously untested by diamond drilling or trenching has been prepared, ready for the recommencement of activities. Work

commenced on making the existing trenches safe by cutting in steps or backfilling to create a ramp in the end of the trenches.

Sandenia Iron Ore Project (100% interest)

The Sandenia Iron Ore Project ("Sandenia Project" or "Sandenia") is located 290km east of Conakry in the central south of the Republic of Guinea. The Sandenia Project is comprised of a single tenement (A2012/057/1) covering approximately 304km² following a recent tenement reduction in size by 50% (pending formal acceptance by the Guinean authorities) in accordance with statutory requirements (refer Figure 4). The Sandenia permit contains Banded Iron Formation ("BIF") prospective for iron mineralisation, similar to that hosting the 6.16Bt Kalia deposit owned by Bellzone Mining plc located on the contiguous permit to the north.

Exploration

Mapping activities continued during the quarter to add further detail to the existing geological interpretation. Anecdotal evidence of artisanal gold mining in or around the northern lease boundary has led to an investigation into the potential for gold mineralisation within the lease area. During a site visit by staff geologists, a series of alluvial workings were identified 700m north of the Sandenia lease boundary trending along an interpreted fault which runs back through the Sandenia property (refer Figure 5).

A preliminary sampling program in existing trenches that have intersected quartz veining has begun to try to identify the source of primary gold mineralisation. Further focussed mapping and sampling will continue to determine the extent of mineralisation and its geological controls. A number of samples from both trenches and outcrop have been collected, which will be submitted for assay.

Tenements

In accordance with conditions set out in the Guinea Mining Code, a 50% reduction of tenure was required upon expiry of the first three year term on 14 April 2013. An application for partial relinquishment has been lodged (refer Figure 4 for map of relinquished areas and remaining tenure). The partial relinquishment is expected to be formally accepted by the Centre of Promotion and Development of Mining ("CPDM") during Q3. The remaining tenement will be valid for 2 years from the acceptance date.

Rokel Project (100% interest)

The Rokel Iron Ore Project ("Rokel" or "Rokel Project") comprises 17 granted exploration licences in Sierra Leone covering approximately 2,386km². This land package covers the region 70km to the north and south of Marampa. Rocks from the Marampa Group ("Rokotolon Formation") exist throughout the licences, much the same as the Marampa Project and are known to host specularite schist bearing units.

The Rokel Project is prospective for discovery of hematite schist deposits geologically similar to those at Marampa and is located proximal to the existing Pepel Infrastructure (refer Figure 2). Regional mapping and geophysics has identified a number of prospective areas which are progressively being followed up with targeted exploration.

Exploration

Kumrabai Prospect (EL20/2011)

No exploration work was conducted in the June quarter. A revised RC scout drilling proposal covering the known extent of the deposit to test for mineralisation continuity and thickness has been prepared.

Bumbe Prospect (EL17/2011)

Line clearing, mapping and pit excavation continued during the quarter. Two exploration pits were excavated with one intersecting specular hematite mineralisation. A RAB drilling proposal has been prepared for the prospect.

Lankono Prospect (EL15/2011)

Pit excavation and mapping took place north of the Rokel River during the quarter with a total of 19 pits excavated. Structural measurements taken from the specular hematite ("SQS") intersections show a consistent strike of 015° with dip varying between 22° to 35° towards the east. Mapping south of the Rokel River has identified Marampa Group lithology but no SQS mineralisation to date (refer Figure 6).

Mawanka Licence (EL21/2011)

The Mawanka licence adjoins the Kumrabai licence to the south east in the direction of the SQS trend found at Kumrabai. Reconnaissance mapping commenced during the quarter and has identified extensive transported float rock containing SQS. The location of these rocks corresponds with a structural contact between granite basement rocks and the younger Marampa group in a stratigraphically similar location to the Kumrabai deposit along strike to the north. Mapping will continue with the aim of identifying in-situ mineralisation.

Tenements

A partial surrender of the Gbinti Licence (EL 13/2011) was completed during the quarter, leaving a remaining area retained for this licence of 82.54km².

Australis Exploration Pty Ltd (100% interest) ("Australis")

Australis holds a portfolio of mineral rights, tenements and subsidiaries which presently comprise:

- Four granted Exploration Licences totalling approximately 1,465km² in the east of the Northern Territory, considered prospective for rock phosphate;
- Three granted Exploration Permit Minerals ("EPM") in North Queensland over 1,903km², prospective for rock phosphate mineralisation; and
- 100% of Mojo Mining Pty Ltd, ("Mojo Project" or "Mojo"), which holds 10 granted EPM's (8 under application for renewal) totalling approximately 838km², centred on the township of Boulia, Queensland and prospective for large Mt Isa style base metal mineralisation beneath cover sediment.

Exploration

No exploration activities took place on the Australis or Mojo tenement packages during the quarter. Drilling approval has been received from the Northern Territory Department of Mines and Energy after the recent submission and acceptance of a Mining Management Plan. An additional Authority Certificate from the Aboriginal Areas Protection Authority is required before commencing. This will be applied for should the drilling program be implemented.

Information Memorandums have been completed and made available for the potential divestment of both the Australis and the Mojo tenement packages.

Cote D'Ivoire (100% interest)

The Company has recently been granted, through its wholly owned subsidiary, three tenements in the highly prospective Birimian Gold Belt of Cote D'Ivoire. The tenements are named Boundiali North (400km²), Katiola (400km²) and Bouake (400km²) for a total land position of 1,200km².

The tenements all contain, or are adjacent to, Birimian Greenstones and metasediments and have significant structural characteristics known to host high tenor gold mineralisation in the district. The Birimian Group is broadly divided into phyllites, tuffs and greywackes of the Lower Birimian (Type 2 metasediments), and various basaltic to andesitic lavas and volcanoclastics of the Upper Birimian (Type 1 Greenstone metavolcanics). Spatial distribution of gold mineralisation appears to be governed by north to northeast trending belts of metavolcanic rocks, ranging from 15km to 40km in width, associated with the Upper Birimian.

The Birimian Gold Belt is host to numerous multi-million ounce gold deposits including the Morila (7Moz), Syama (7Moz) and Tongon (4Moz) deposits. Almost without exception, these major gold deposits are located at or close to the margins of the metavolcanic belts, adjacent to the strongly deformed contacts between the Upper and Lower Birimian sequences as seen to exist within the recently granted tenements.

All three tenements are highly prospective and have the potential to host multi-million ounce gold deposits (refer to ASX announcement of 30 April 2013).

Exploration

Preliminary site visits were conducted by the geological team during the quarter. Numerous significant artisanal mining ventures by local people were observed on each of the tenements in both alluvial and in-situ environments. This is encouraging supporting evidence of the presence of coarse free gold in the tenement areas.

The Company is targeting large primary in-situ gold occurrences and work has commenced on planning and budgeting for a first pass exploration program.

Competent Person:

The contents of this Report relating to Exploration Results are based on information compiled by Dennis Kruger, a Member of the Australasian Institute of Mining and Metallurgy. Mr Kruger is a consultant to Cape Lambert and has sufficient experience relevant to the style of mineralisation and the deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Kruger consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

Competent Person:

The contents of this Report relating to Mineral Resources and Ore Reserves are based on information compiled by Olaf Frederickson, a Member of the Australasian Institute of Mining and Metallurgy. Mr Frederickson is a consultant to Cape Lambert and has sufficient experience relevant to the style of mineralisation and the deposit under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Frederickson consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

Competent Person:

The information in this Report that relates to Metallurgical Test Results is based on information reviewed and compiled by Mr Mike Wardell-Johnson, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wardell-Johnson is a consultant to Cape Lambert and has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves". Mr Wardell-Johnson consents to the inclusion in this report of the information in the form and context in which it appears.

Figure 1: Group Structure July 2013



* Convertible note issued on 24 July 2013

Figure 2: Cape Lambert West African Iron Ore Interests

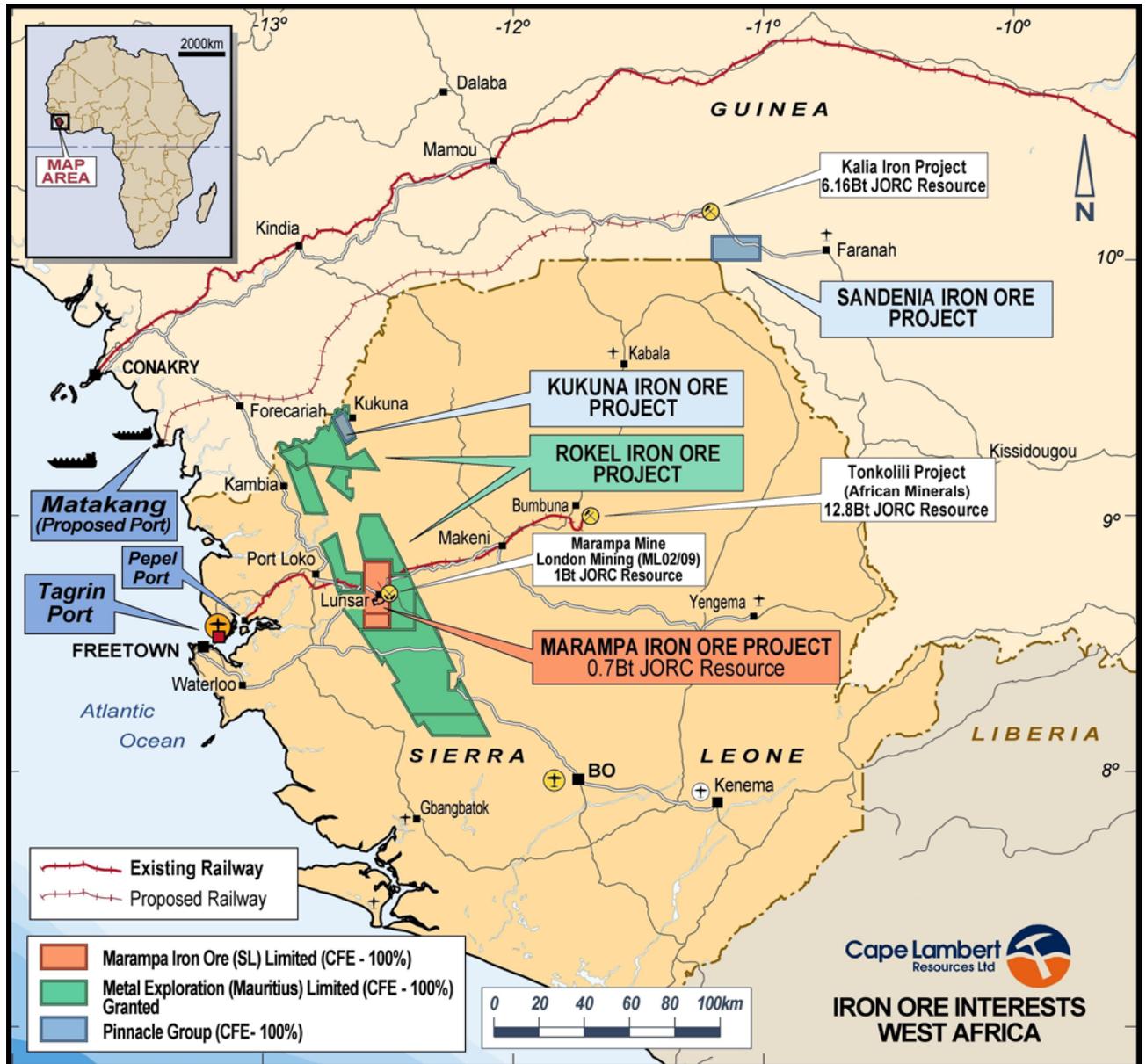


Figure 3: Tailings Storage Facility Topographic Survey Progress

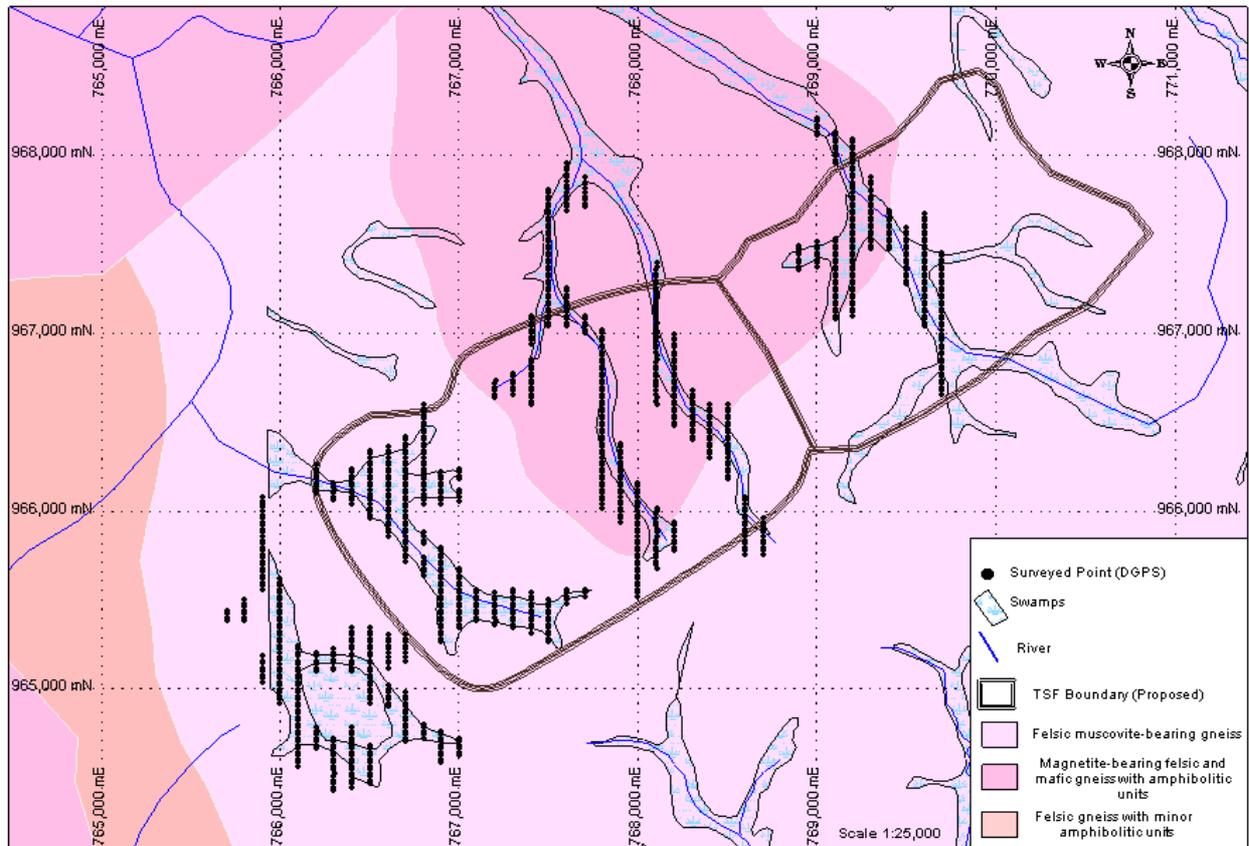


Figure 4: Sandenia Project – Relinquished and Retained Areas.

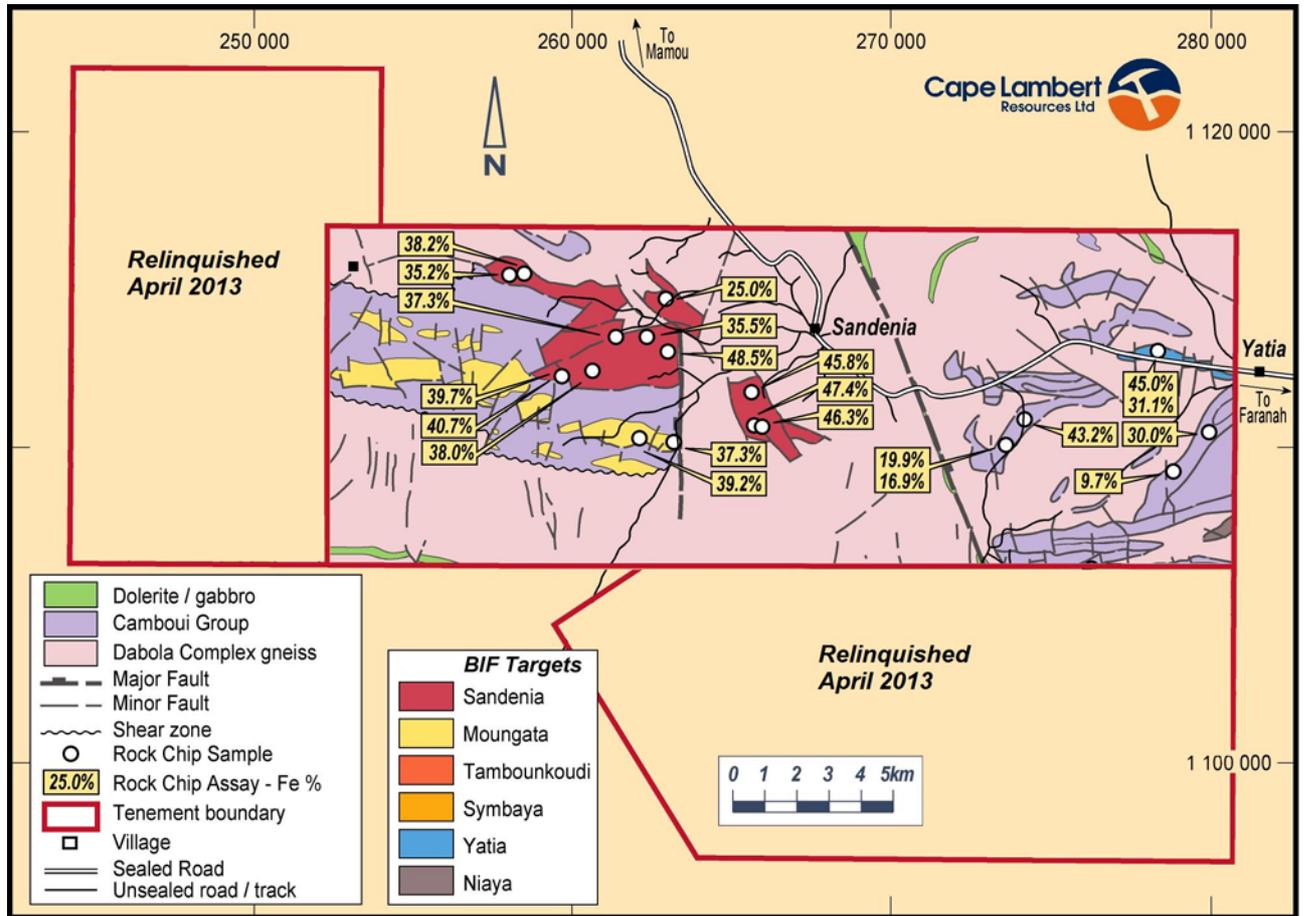


Figure 5: Sandenia Gold Project – Interpreted Fault

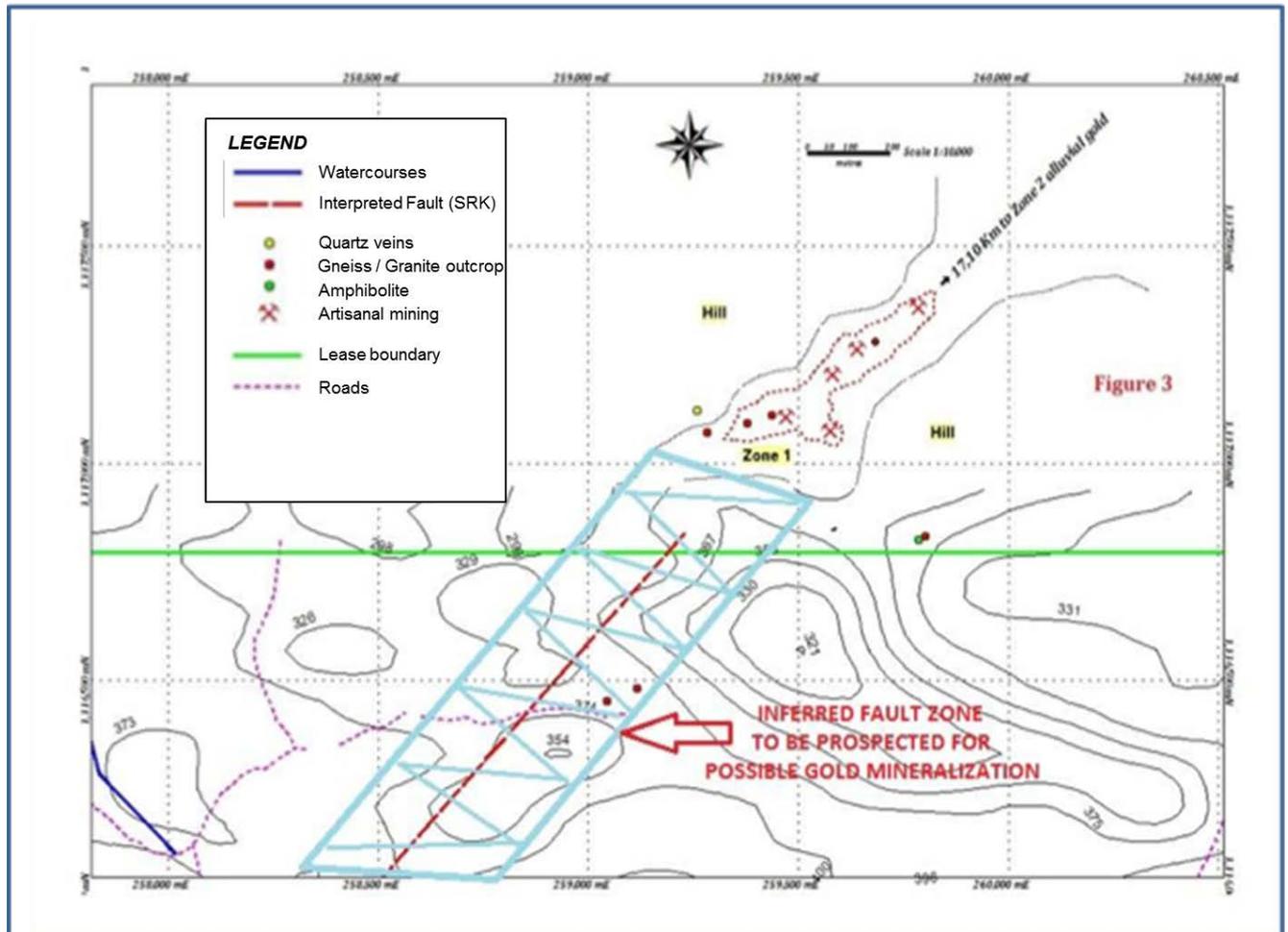
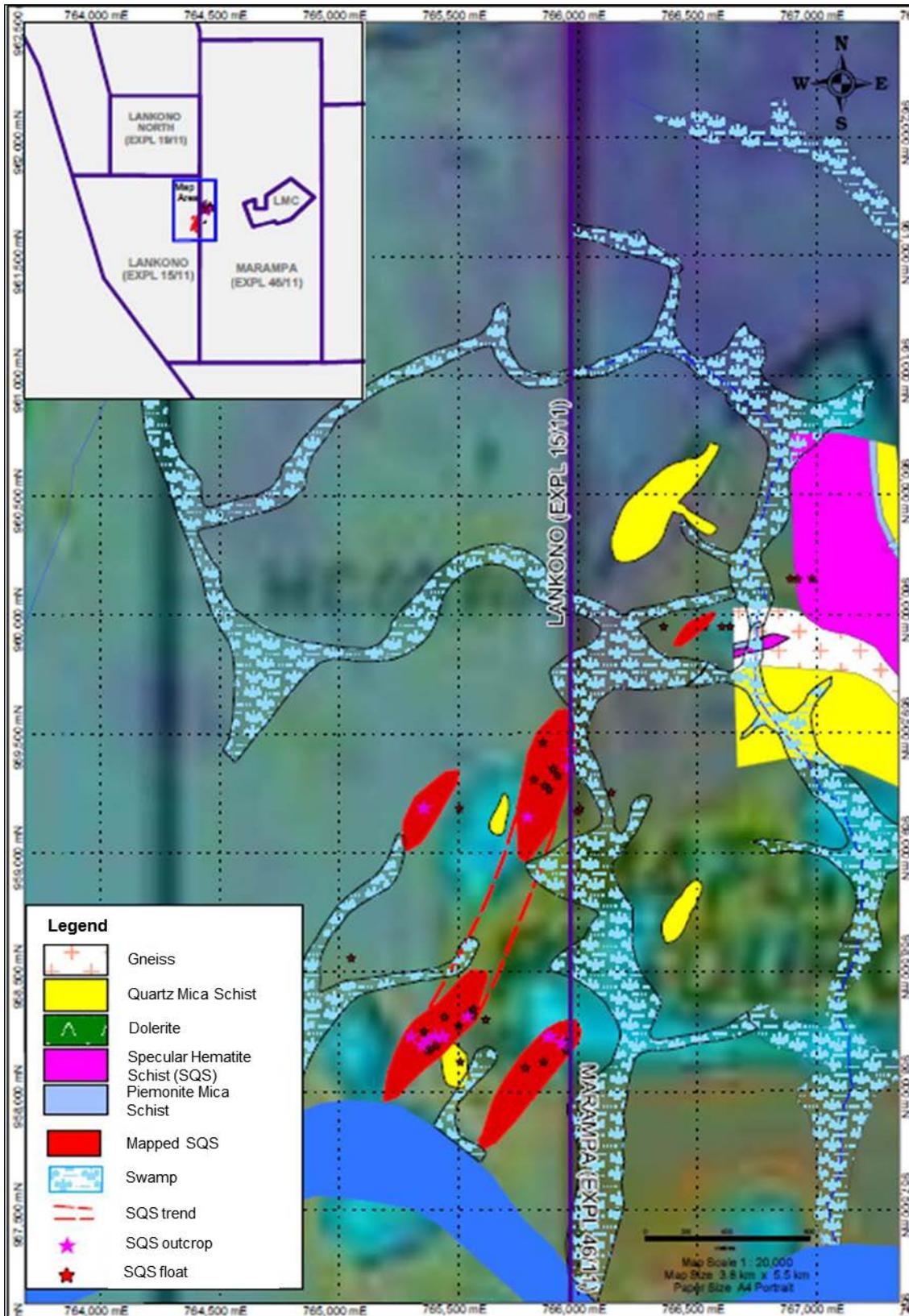


Figure 6: Lankono Mapping



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

Cape Lambert Resources Limited

ABN

71 095 047 920

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

	Current quarter	Year to date (12 months)
	\$A'000	\$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(3,917)	(21,839)
(b) development	-	-
(c) production	-	-
(d) administration	(1,488)	(6,643)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	302	2,606
1.5 Interest and other costs of finance paid	(14)	(116)
1.6 Income taxes paid	-	(37,385)
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(5,117)	(63,377)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	(685)
(c) other fixed assets	(193)	(1,007)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
(d) controlled entities	4,000	4,660
1.10 Loans to other entities	(805)	(2,401)
1.11 Loans repaid by other entities	-	-
1.12 Other: Cash backing security for performance / other bonds & bank guarantees released	15	132
Other: Cash backing security for performance / other bonds & bank guarantees provided	(6)	(3,445)
Other: Payment of transaction related and business development costs	(295)	(2,061)
Other: Payment for convertible notes	-	(1,000)
Other: Payment for exercise of call options	-	(859)
Other: Cash balances disposed on disposal of controlled entity	(32)	(32)
Net investing cash flows	2,684	(6,698)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,433)	(70,075)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
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		
	On-market buy back	(1,031)	(1,436)
	Net financing cash flows	(1,031)	(1,436)
	Net increase (decrease) in cash held	(3,464)	(71,511)
1.20	Cash at beginning of quarter/year to date	20,335	88,412
1.21	Exchange rate adjustments to item 1.20	163	133
1.22	Cash at end of quarter	17,034	17,034

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	227
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$227,000 payment of executive and non-executive director fees.

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	5,373
4.2 Development	-
4.3 Production	-
4.4 Administration	1,503
Total	6,876

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	4,034	4,772
5.2 Deposits at call	13,000	15,563
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	17,034	20,335

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	<u>Mojo Mining Pty Ltd</u>			
	EPM15692	Expired	100%	-
	EPM15701	Surrendered	100%	-
	EPM15702	Surrendered	100%	-
	EPM15697	Surrendered	100%	-
	EPM15699	Surrendered	100%	-
6.2 Interests in mining tenements acquired or increased	N/A			

+ See chapter 19 for defined terms.

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 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	679,691,942	679,691,942		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(7,690,716)			
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	10,765,000	10,765,000	<i>Exercise price</i> \$0.29	<i>Expiry date</i> 22 Nov 2013
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	(945,000)	(945,000)		
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.12	Unsecured notes (<i>totals only</i>)		
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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.

Sign here: Claire Tolcon.....Date: 31 July 2013
Company secretary

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.