

30 April 2013

QUARTERLY REPORT – 31 March 2013

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 31 March 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
687,283,792

Unlisted Options
11,710,000 (\$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

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HIGHLIGHTS

Corporate

- At 31 March 2013, the Company had approximately A\$20million in cash at bank.
- Deutsche Bank mandated to manage the sale of the royalty for the Mayoko Iron Ore Project in the Republic of Congo.
- Canaccord Genuity (Australia) Limited appointed as financial advisor as part of strategic review of assets.
- The Company entered into a binding agreement for the sale of Cape Lambert Leichhardt Pty Ltd, the holder of the Leichhardt Copper Project for A\$14.75million. The Company has received a A\$2million non-refundable deposit and the final payment of A\$12.75million will be received on completion, scheduled for 31 May 2013. In addition to the consideration from the sale, the Company will have A\$5.6million in environmental and cash bonds returned.

Projects

Marampa Iron Ore Project

- Significant SQS outcrop and float have been observed during exploration mapping in the north-east corner of the Marampa Licence, the area south of the London Mining boundary, and north of the identified Gafal deposit.
- Significant potential for additional resources to be identified within the Marampa lease.

Rokel Iron Ore Project

- Significant observation of SQS in-situ and float identified in the Lankono area from recent mapping as an extension of the MIOL Mafuri deposit.

Cote D'Ivoire Gold

- Grant of three tenements for a total of 1,200km² in the highly prospective Birimian Gold Belt of Cote D'Ivoire.

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 1,726,134 Shares for total consideration of A\$404,964.13. As at 30 April 2013, there are 66,459,622 Shares remaining that may be bought back under this facility.

Asset Divestment

Leichhardt Copper Project

Post quarter end, the Company announced that it had entered into a new binding agreement for the sale of its wholly owned subsidiary Cape Lambert Leichhardt Pty Ltd, the holder of the Leichhardt Copper Project (**Leichhardt Project**) (**Transaction**).

The Company had previously announced that it had entered into a conditional agreement for the sale of the Leichhardt Project for a total consideration of A\$15million, payable in three tranches, the final tranche payable 36 months after completion (refer ASX Announcement dated 28 November 2012).

As a result in delays in finalising the terms of that transaction, the Company was approached and subsequently entered into, a new binding agreement with a private Malaysian company (**Buyer**) for a total consideration of A\$14.75m and has received a A\$2million non-refundable deposit. The Company will receive the final A\$12.75million, plus costs incurred in operating the Leichhardt Project from 1 May 2013 until completion, at completion of the Transaction. Additionally, following completion of the Transaction, the Company will have A\$5.6million of environmental and cash bonds returned.

Completion of the Transaction is to occur on 31 May 2013, subject to the Buyer receiving a “no objection” letter for the acquisition pursuant to the Foreign Acquisition and Takeover Act 1975 (Cth), final due diligence enquiries and execution of a formal share sale agreement.

Appointment of Deutsche Bank AG to sell Mayoko Royalty

During the quarter, the Company appointed global investment bank Deutsche Bank AG to manage the sale of its royalty for the Mayoko Iron Ore Project in the Republic of Congo.

The Mayoko royalty right was acquired by Cape Lambert as part consideration when it sold its 100% interest in the Mayoko Project to African Iron Limited in January 2011, which was subsequently taken over by Exxaro Resources Ltd in March 2012. The royalty is equal to US\$1 per tonne for every tonne of iron ore shipped from the Mayoko Project (indexed annually to the CPI).

In light of recent comments by the chief executive officer of Exarro Resources Limited, the owner of the Mayoko Project, regarding the expectation to commence mining at Mayoko this year, the Company has received several formal approaches from interested parties, all of which are currently being advanced with the support of Deutsche Bank AG.

Appointment of Canaccord as Financial Adviser

During the quarter, the Company announced that it is undertaking a strategic review of its assets and has appointed Canaccord Genuity (Australia) Limited (**Canaccord**) as financial advisor on its strategic options, including advising on discussions around the potential monetization of current assets, including the advanced Marampa iron ore project in Sierra Leone.

Cape Lambert is undertaking this review, with the support of Canaccord, as a result of the number of unsolicited approaches to the Company.

The Company views the review as an opportunity to assist with significant value uplift for its’ existing shareholders, given the substantial difference between the Net Tangible Asset value of the Company and the Market Capitalisation.

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:

- 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 \$56,300,000 (tax effect of \$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 \$137,526,510 (Tax effect of \$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 \$1,684,128 (tax effect of \$505,238).

The Company strongly contests all of the amounts assessed and will vigorously defend its position. To this end, 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 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 \$33,300,000 was to be paid by the Company in instalments by 31 March 2013. After this time the rate of general interest charge accruing on the unpaid balance of disputed tax and shortfall interest charge will be reduced by half.

During the quarter, the Company paid the \$33,300,000 to the ATO.

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 appealed the orders and during the quarter, the Court of Appeal dismissed the appeal and determined that the Company's claim for payment of the \$80million into escrow must be dealt with by the Arbitrator appointed to deal with the Company's substantive claim.

The Company has referred the dispute to arbitration in Singapore which is expected to be heard in late 2013 and has taken steps to make the necessary application to the Arbitrator to determine the "escrow dispute" on an expedited basis.

PROJECTS

Marampa (100% interest)

Marampa is a hematite 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 E46/2011 – 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 680 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 (“AML”) (and their subsidiaries) provides Marampa with access rights to export 2Mtpa (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 have an option to purchase 2Mtpa (wet) of Marampa concentrate at mine gate for the first 3 years of production.

Exploration

Exploration activities focused on mapping in various locations within the Marampa Licences to follow up on potential extensions to the known resources.

Field mapping in the north east corner of EL46A/2011 continued, investigating the strike extension of specular-hematite schist identified at the Bumbe prospect to the north (Karina Licence EL.17/2011, Metal Exploration (SL) Ltd) trending towards the Kumrabai prospect to the east (EL 20/2011, Metal Exploration (SL) Ltd). A total of five pits were excavated during the quarter to provide information on the structural orientation of the mineralisation observed. Structural measurements indicate a strike of 160 degrees, with a dip varying from 45 to 80 degrees to the north east. All the pits have been mapped and sampled with the samples currently in the preparation laboratory.

Detailed mapping continued north of Gafal West, following up on potential for a fold structure that is yet to be drilled. Significant areas of specular-hematite schist float continue to be observed. Mapping of magnetic anomalies south of the London Mining concession continued during the quarter. In addition to 3 mapped outcrops, specular-hematite schist float has been observed south of the tenement boundary. Structural measurements of the outcrops suggest a strike of 230 degrees with a dip of 65 degrees south east over an extent of 500m (refer to figure 3 for the exploration mapping locations).

Exploration drilling programs to test for mineralised potential indicated by mapping have been designed and will form part of the future exploration program once the Marampa Project is sold.

Metallurgy

Ongoing metallurgical testwork during the quarter was primarily to confirm recent results from the High Intensity Magnetic Separation (“WHIMS”) unit operation using a larger test unit in Queensland. The results were highly reproducible compared with the smaller scale unit. Open circuit testing using the large unit confirmed a > 65% Fe concentrate can be produced at acceptable Fe recovery while closed circuit modeling suggests recovery of +90% can be achieved with an intermediate re-grind step and recycling of middling streams back the previous WHIMS stage. Further comminution variability tests on the Gafal deposit were also completed, which confirmed the suitability of the earlier engineering data gathered for the design of the crushing and grinding equipment.

Results of locked cycle testing using the Gafal Deep South ore sample confirmed the choice of WHIMS as the technology to effectively beneficiate specular hematite from gangue with target Fe grade and low levels of the major economic impurities in the concentrate achieved as shown in Table 1.

Table 1 Results from Locked Cycle Tests

Sample	Head Grade % Fe	Concentrate Grade %					Mass Yield %	Total Fe Recovery %
		Fe	SiO ₂	Al ₂ O ₃	P	S		
Gafal Deep South	30.4	65.5	2.83	1.02	0.01	0.001	43.2	93.1

Technical Studies

Updating of the 15 Mtpa Scoping Study, which incorporates pumping of Stage 2 concentrate to a Marampa owned transshipping port near the coast and a simplified process flow sheet, continued during the quarter. The final report incorporating revised capital and operating cost estimates is due for completion during May 2013.

Environmental and Social Impact Assessment

Following lodgement of the project's Environmental and Social Impact Assessment (ESIA) study with the relevant Sierra Leone authorities on 18 October 2012, the Company was requested to provide additional documentation to support the study. A local environmental consultant was engaged to prepare the documentation, which was submitted to the authorities in April 2013.

Following submission of this documentation it is expected that the Project's environmental licence will be issued early in Q2 2013.

Rail and Port Agreement with African Minerals Limited

In December 2012, African Mineral Limited (AML) 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 and Marampa Iron Ore Limited and AML and its majority owned subsidiary African Railway & Port Services (SL) Limited (refer ASX Announcement 16 April 2012) is being revised and is in the final stages of completion. It is expected that this revised agreement will be completed and executed by the relevant parties by the end of May 2013.

Pinnacle (100% interest)

The key Pinnacle assets are the Kukuna Iron Ore Project located in Sierra Leone ("Kukuna Project" or "Kukuna") and the Sandenia Iron Ore Project located in the Republic of Guinea ("Sandenia Project" or "Sandenia") (refer Figure 2).

Kukuna Project – Sierra Leone

The Kukuna Project is located 120km northeast of Freetown in the northwest of Sierra Leone and consists of one exploration licence 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

Re-logging of the existing core and a re-interpretation of the geology was conducted during the quarter. Reportage on the findings is currently under review. This information will be used in the preparation of a work program aimed at progressing project definition and development.

Sandenia Project – Guinea

The Sandenia Project is located 290km east northeast of Conakry in the central south of the Republic of Guinea and comprises two exploration permits covering 608km² (refer Figure 2). The Sandenia permits contain Banded Iron Formation (“BIF”) prospective for iron mineralisation, similar to those hosting the 6.16Bt Kalia deposit owned by Bellzone Mining plc located on the contiguous permit to the north.

Exploration

A report on the exploration activities conducted late in 2012 has been completed and is currently being reviewed, prior to the next exploration program being prepared.

Metal Exploration Limited (100% interest)

Metal Exploration (Mauritius) Limited, a wholly owned subsidiary of Cape Lambert, holds 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 and is referred to as the Rokel Iron Ore Project (“Rokel” or “Rokel Project”). Rocks from the Marampa Group (“Rokoton 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

Bumbe Prospect

Mapping and pit/trench excavation continued during the quarter in the Bumbe vicinity. Three pits were excavated to provide additional structural information to aid in drill hole planning. An additional 45m long trench was completed in an area of structural complexity. Measurements taken from the trench included dips ranging from 30° east to 30° west with strike of 155°, confirming folding in the area.

A RAB drilling program to test the mapped mineralisation extents is currently being prepared.

Lankono Prospect

Investigation of the western continuation of the Marampa Iron Ore Mafuri Deposit into the Lankono Licence (EL.15/2011, Metal Exploration (SL) Ltd) continued during the quarter (refer figures 4 and 5).

Exploration activities focused on the area south of the Rokel River. A number of pits have been planned north of the river to confirm structure, continuity and grade of mineralisation previously found in this area.

Australis Exploration Limited (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, which holds 15 granted EPM's ("Mojo Project" or "Mojo") totalling approximately 1,246km², centred on the township of Boulia, Queensland and prospective for large Mt Isa style base metal mineralisation beneath cover sediment.

Tenure

The Northern Territory tenement package has been rationalised with four of the original eight Exploration Licences relinquished and one of the remaining tenements significantly reduced in size.

Surrender applications for the 3 EPMs held in Queensland have also been submitted. These tenements were the subject of a tenement rationalisation review conducted during the quarter (refer Figure 6).

Exploration

Phosphate

Recent desktop interpretations have identified an aeromagnetic anomaly within EL 26701 similar to the nearby Wonarah phosphate deposit which may be indicative of concealed phosphate mineralisation (refer Figure 7). This anomaly is proximal to the geochemical soil sampling conducted in the third quarter of 2012 which identified a 2 km long by 1 km wide, +1000ppm phosphate soil anomaly within tenement EL 26310.

In preparation for follow-up work, a Mining Management Plan ("MMP") has been completed and submitted to the Northern Territory Department of Mines and Energy ("DME") for review. This MMP will allow for ground disturbing activities to occur within the tenement package whilst complying with all environmental, heritage and OH&S policies.

A proposal for a shallow RAB/RC reconnaissance drilling program to test these anomalies has been prepared, with 13 holes for ~1000m planned. Drilling activities are expected to commence during Q2 2013.

A small helicopter supported soil sampling program is currently being planned for the second half of 2013. The program aims to target areas along the Georgina Basin margin which may host paleo-embayment type phosphate deposits which are inaccessible by road.

Base Metals

An information memorandum for the Mojo tenements in Queensland was completed in late February. This document has been made available for interested groups to aid in potential divestment of the Mojo group of assets.

Leichhardt Copper Project (100% interest) ("Leichhardt")

Leichhardt, which is currently on care and maintenance, is located approximately 100km northeast of Mt Isa in the highly prospective Eastern Succession of the Mt Isa Inlier and is subject to a binding sale agreement as described in the Corporate section of this report.

Exploration

Results from last quarters drilling campaign have been reviewed and new targets defined for future work in 2013. A work program is being prepared that includes soil sampling, shallow RC drilling and downhole EM surveys across various tenements required to maintain the tenements in good standing.

The Company will provide management post settlement during a transition period to ensure minimum expenditure requirements are met and provide assistance until the Buyers new management has been established.

Cote D'Ivoire (100% interest)

Metals Exploration Cote D'Ivoire SA is a wholly owned subsidiary of Cape Lambert. Metals Exploration Cote D'Ivoire SA has recently been granted three tenements in the highly prospective Birimian Gold Belt of Cote D'Ivoire, named Boundiali North (400km²), Katiola (400km²) and Bouake (400km²) for a total land position of 1,200km² (refer Figure 8).

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 15 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 ground.

The Company considers that each of the three tenements to be highly prospective. Please refer to the recent market announcement dated 30 April 2013 for more information.

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 March 2013



Figure 2: Cape Lambert West African Iron Ore Interests

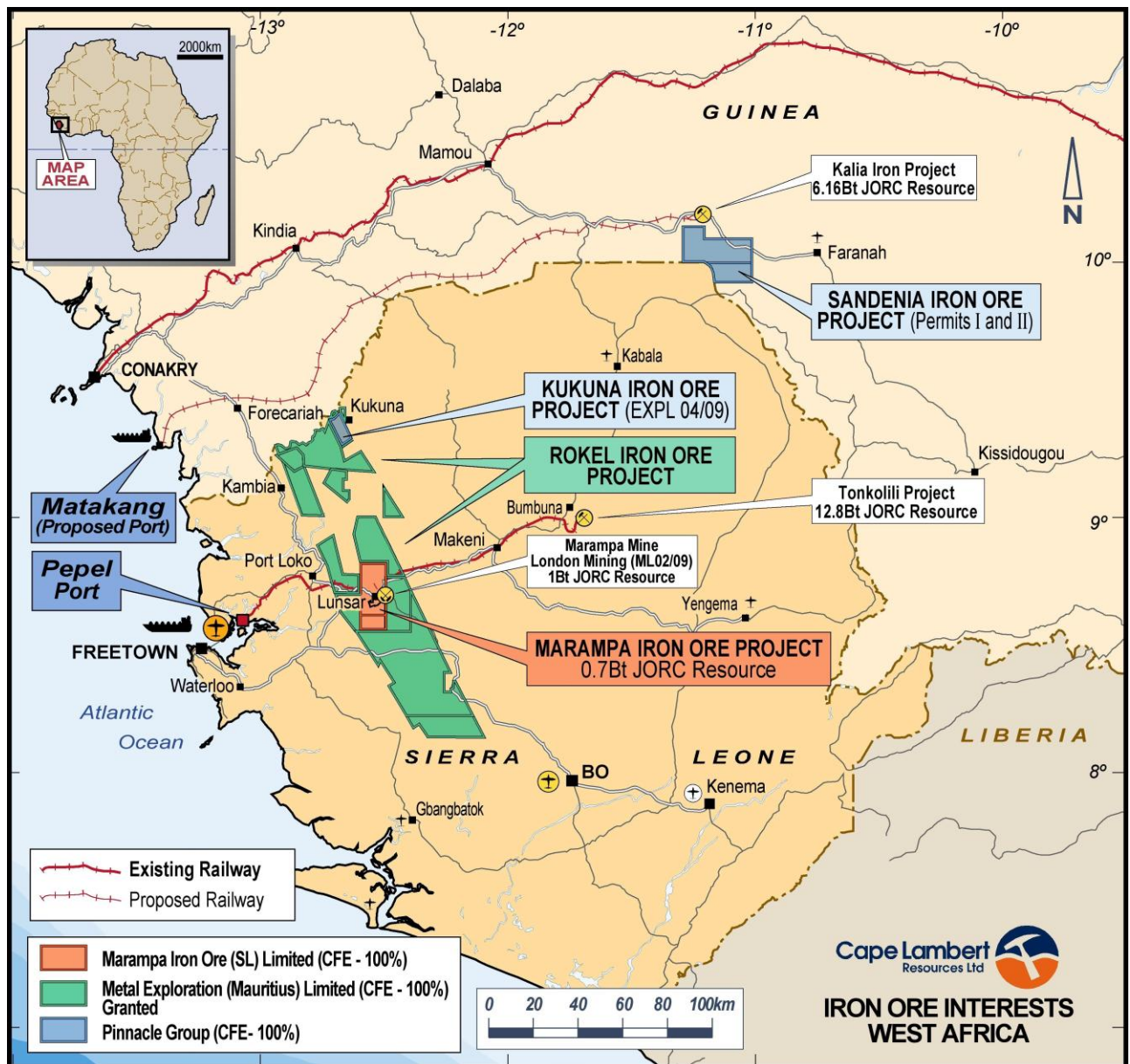


Figure 3: Marampa Split Licence Boundaries with Exploration Mapping

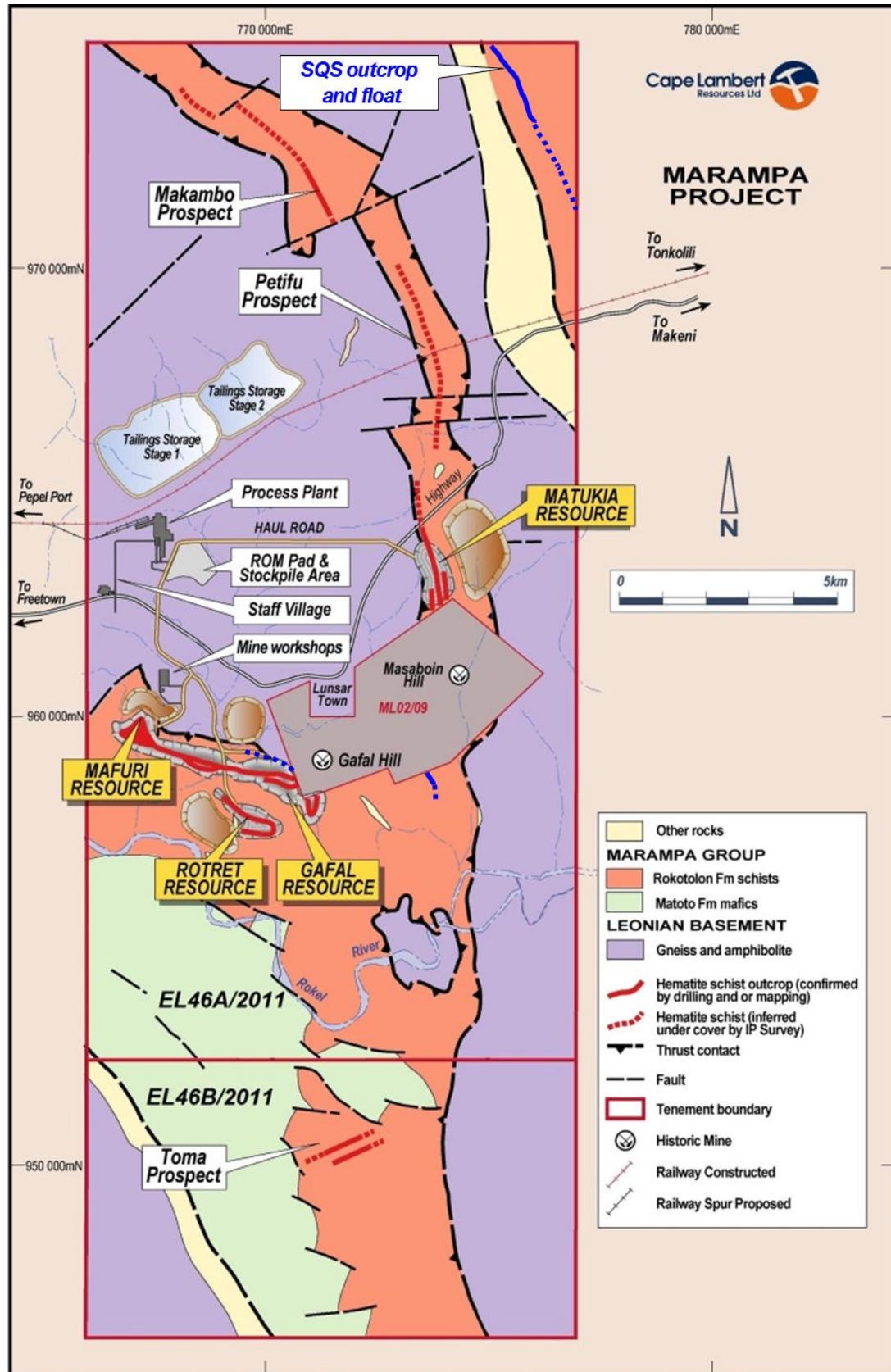


Figure 4: Rokel Prospects

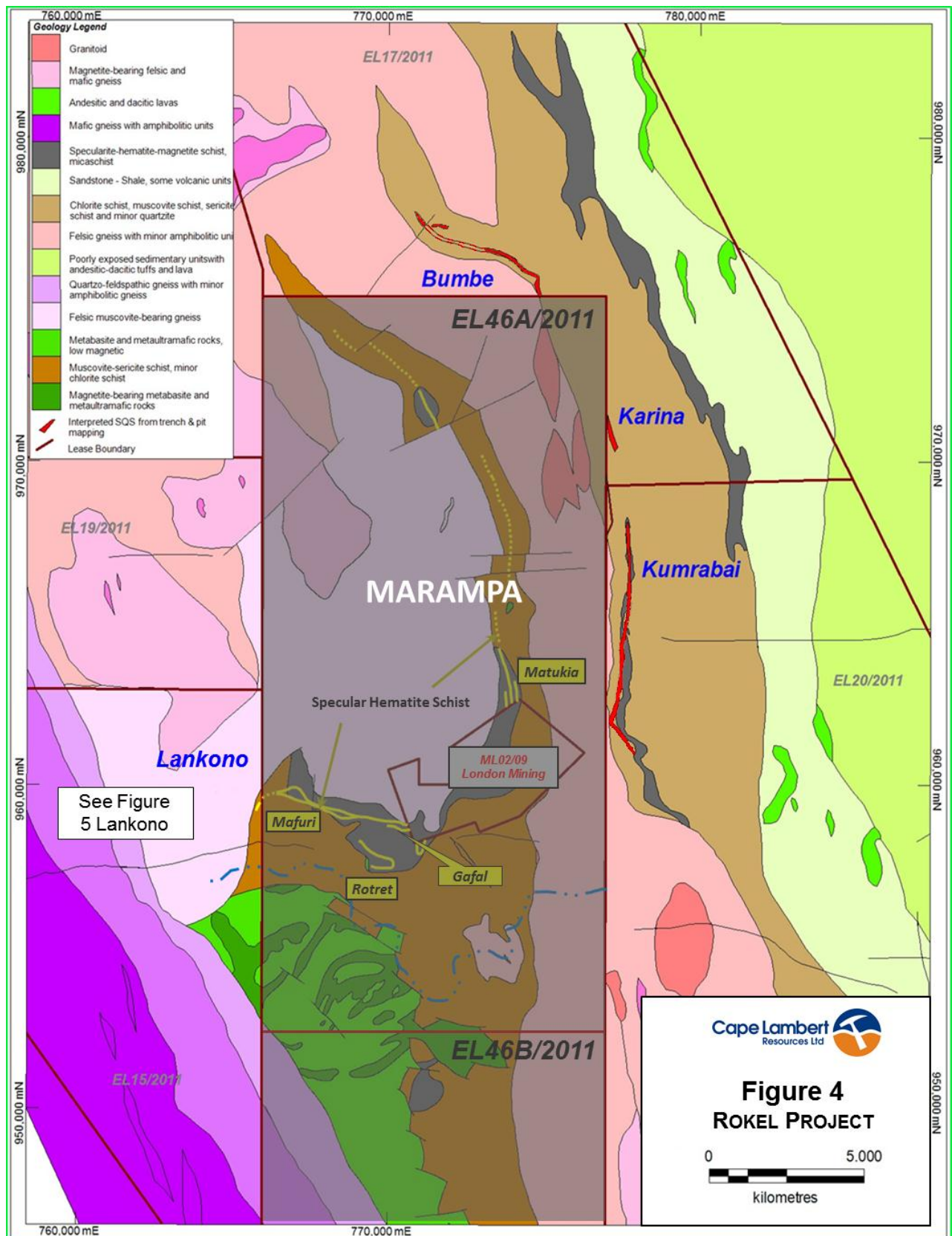


Figure 5: Lankono Mapping

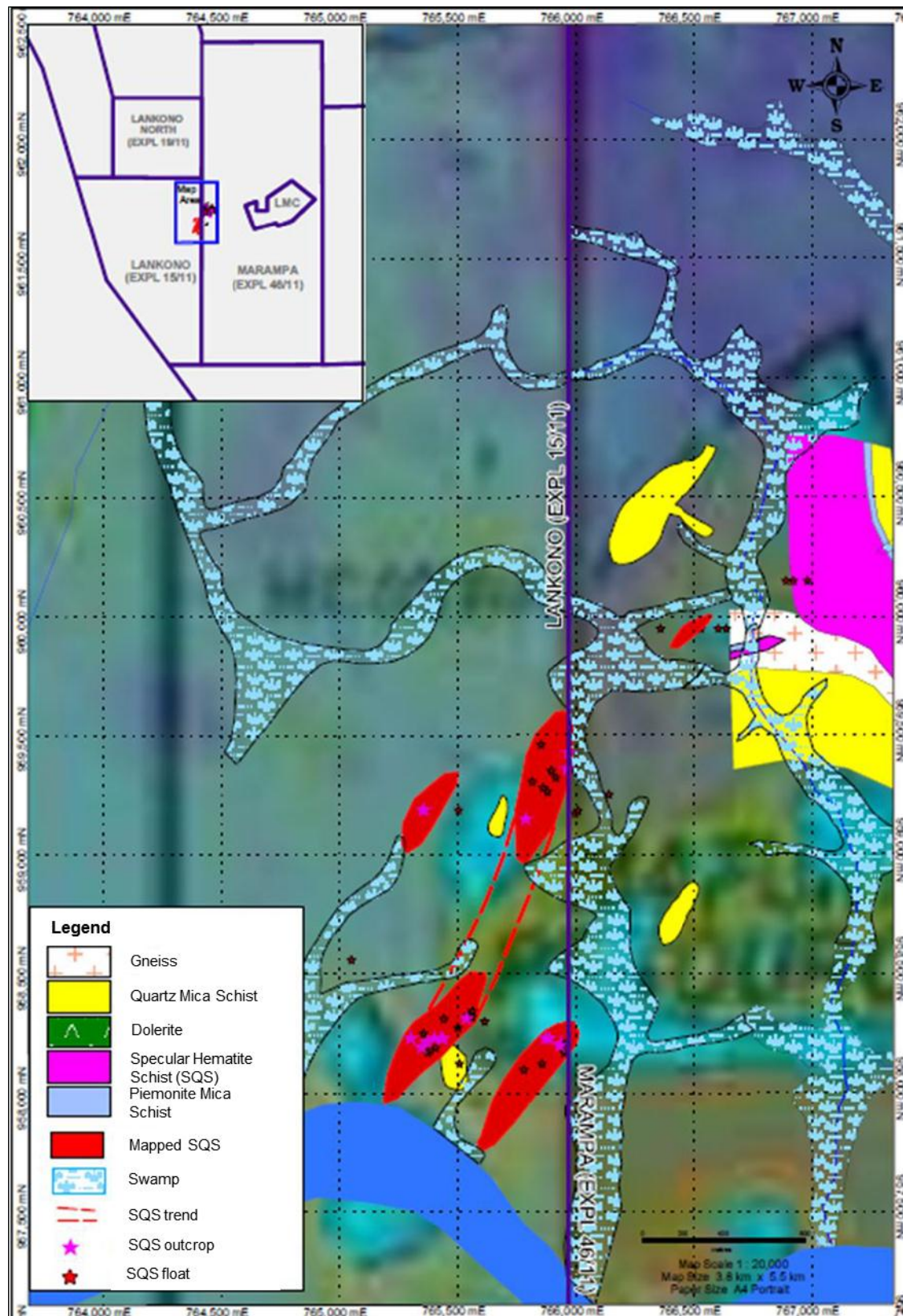


Figure 6: Australis Tenements



Figure 7: Phosphate Anomaly

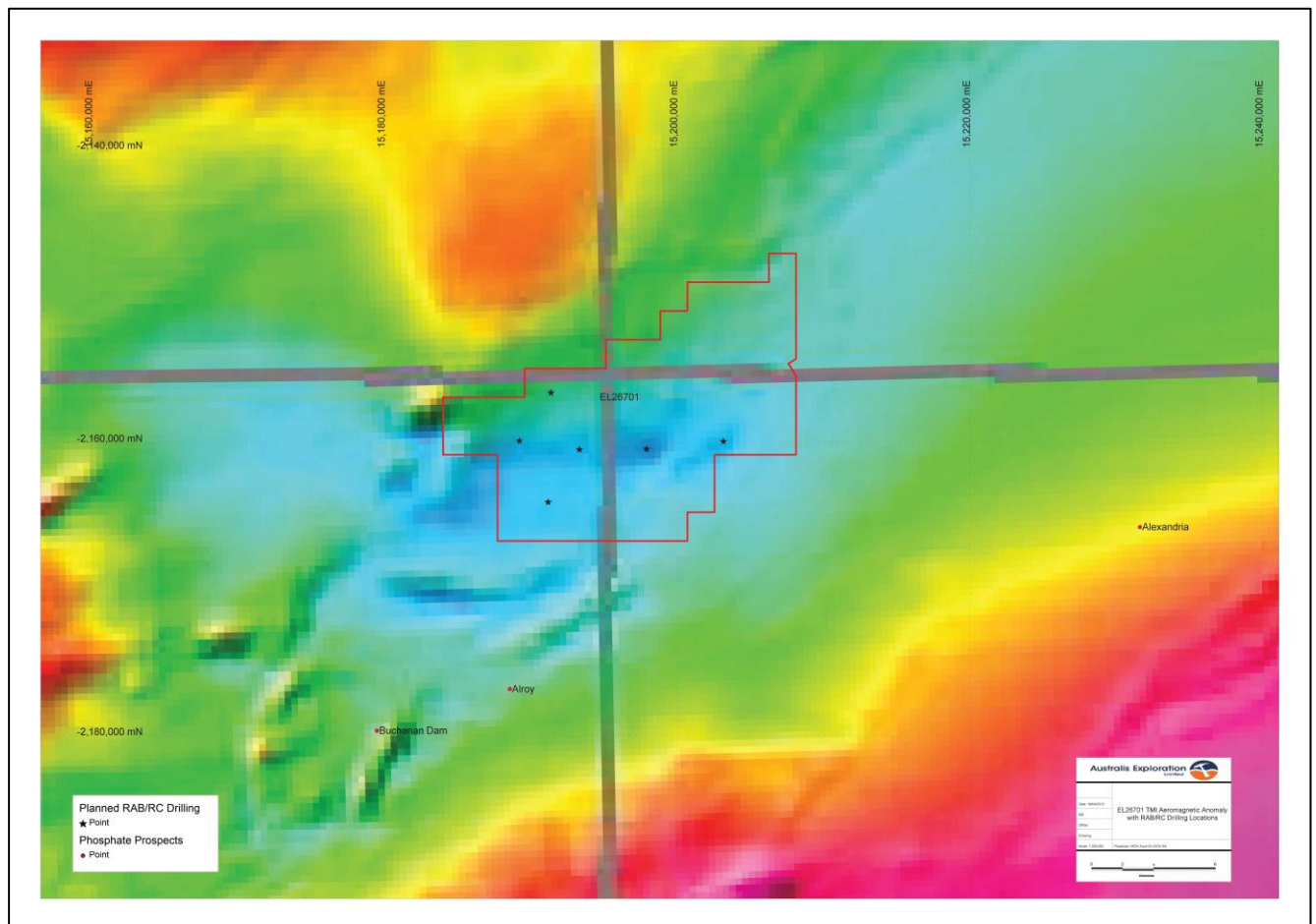
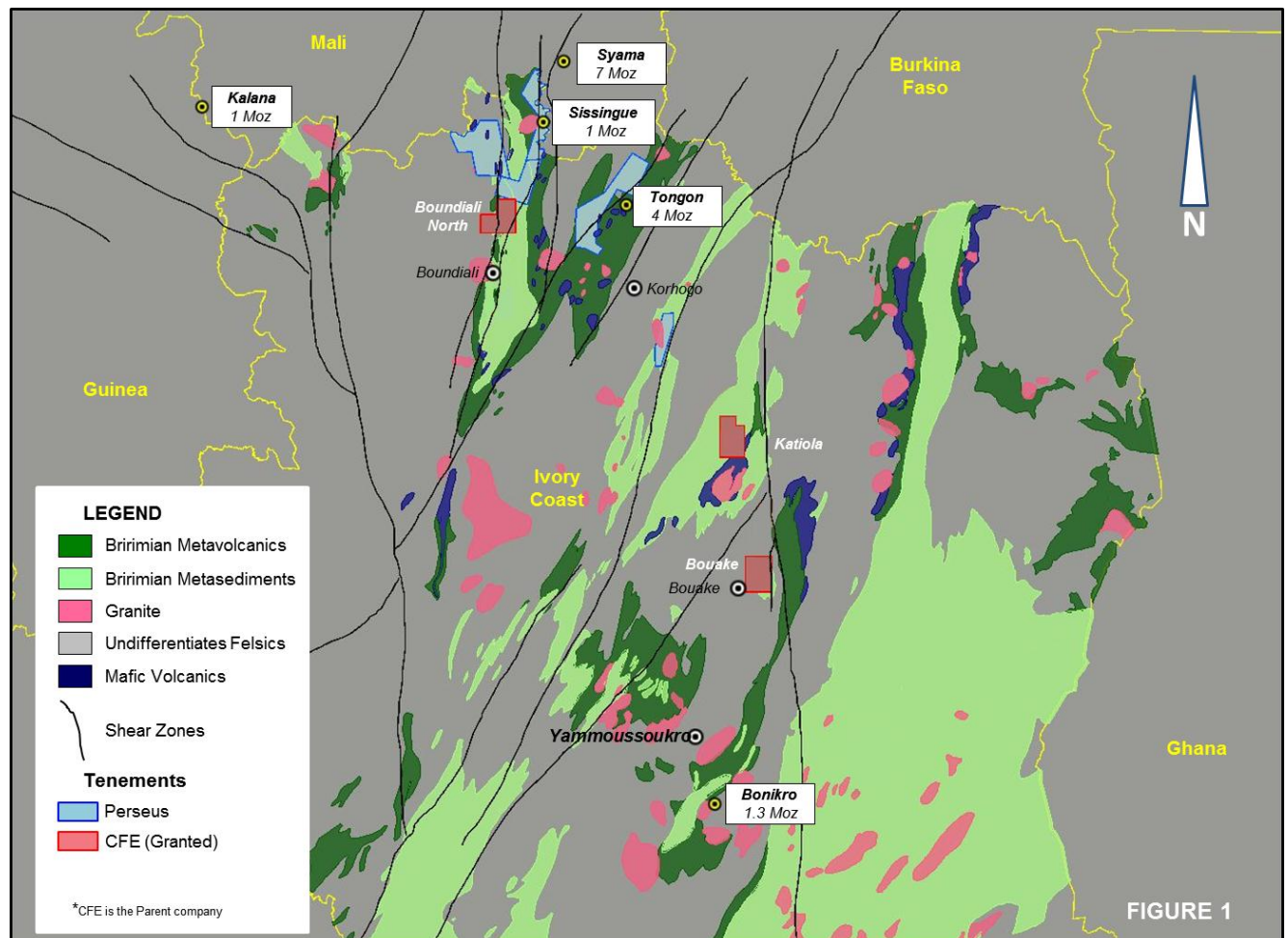


Figure 8: Cote D'Ivoire granted tenements



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")

31 March 2013

Consolidated statement of cash flows

		Current quarter	Year to date (9 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	(5,621)	(17,922)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(1,858)	(5,155)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	638	2,304
1.5	Interest and other costs of finance paid	(35)	(102)
1.6	Income taxes paid	(21,104)	(37,385)
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(27,980)	(58,260)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	(685)
	(c) other fixed assets	(103)	(814)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
	(d) controlled entities	-	660
1.10	Loans to other entities	(485)	(1,596)
1.11	Loans repaid by other entities	-	-
1.12	Other: Cash backing security for performance / other bonds & bank guarantees released	2	117
	Other: Cash backing security for performance / other bonds & bank guarantees provided	(135)	(3,439)
	Other: Payment of transaction related and business development costs	(106)	(1,766)
	Other: Payment for convertible notes	-	(1,000)
	Other: Payment for exercise of call options	-	(859)
	Net investing cash flows	(827)	(9,382)
1.13	Total operating and investing cash flows (carried forward)	(28,807)	(67,642)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(28,807)	(67,642)
	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	(405)	(405)
	Net financing cash flows	(405)	(405)
	Net increase (decrease) in cash held	(29,212)	(68,047)
1.20	Cash at beginning of quarter/year to date	49,577	88,412
1.21	Exchange rate adjustments to item 1.20	(30)	(30)
1.22	Cash at end of quarter	20,335	20,335

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

Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation	3,722
4.2 Development	-
4.3 Production	-
4.4 Administration	1,636
Total	5,358

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'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	4,772	9,240
5.2 Deposits at call	15,563	40,337
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	20,335	49,577

+ See chapter 19 for defined terms.

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	EPM16609 EPM16633 EPM16795 EL26308 EL26309 EL26314 EL26702	Relinquished Relinquished Relinquished Relinquished Relinquished Relinquished Relinquished	100% 100% 100% 100% 100% 100% 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 (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	687,382,658	687,382,658		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(1,726,134)			
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	11,710,000	11,710,000	Exercise price \$0.29	Expiry date 22 Nov 2013
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	Debentures (totals only)				

+ 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.

Sign here: Claire Tolcon.....Date: 30 April 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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