

30 April 2012

QUARTERLY REPORT – 31 MARCH 2012

Please find attached the Quarterly Activities Report and Appendix 5B for the period ended 31 March 2012.

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
689,108,792

Unlisted Options
7,800,000 (\$0.45 exp 30 Nov 2012)

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

Cape Lambert Contact

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HIGHLIGHTS

Corporate

- At 31 March 2012, the Company had approximately \$99.1 million in cash at bank.
- Johannesburg Stock Exchange listed Exxaro Resources Limited completed a takeover offer for all the shares and listed options in African Iron Limited, a company in which Cape Lambert held 126,700,000 shares (25.3%), delivering A\$72.2 million in cash to the Company.
- Management facilitated a secondary sale of 65 million shares (representing 9.4% of the Company) as part of an on-market transaction to a small number of prominent UK based institutions.
- Settlement of alliance agreement with Chameleon Mining NL (ASX: CHM), resulting in the Company receiving 40,000,000 shares in Chameleon (taking the Company's interest to 13.7%).
- The Company continued preparation for an IPO of Marampa and expects to take a final decision on proceeding with the IPO of Marampa in the June 2012 quarter.

Projects

Marampa Iron Ore Project

- Binding Heads of Agreement signed with African Minerals Limited ("African Minerals") and African Railway and Port Services (SL) Limited securing infrastructure access for the Marampa Project on the following key terms:
 - provision of third party access rights on commercial terms to transport and ship up to 2Mtpa of hematite iron ore concentrate from Marampa using the operational Pepel railway and port facilities;
 - provision of additional access to the planned deep water port at Tagrin to enable the export of up to 16.5Mtpa of Marampa hematite iron ore concentrate; and
 - grant of an option to African Minerals for the purchase of up to 2Mtpa of Marampa hematite iron ore concentrate at the "mine gate", for a term of three years from commencement of production at Marampa.
- Diamond drilling commenced at the four resource deposits (Matukia, Gafal, Mafuri and Rotret) to obtain bulk samples for design level metallurgical test work.

Pinnacle Group Assets (Kukuna and Sandenia Iron Ore Projects)

- Significant iron intersections were received from the first two trenches completed at Sandenia including 78m at 26% Fe from trench SATR001.

Rokel Iron Ore Project

- Regional mapping covering more than 2,400km² completed by SRK Consulting identifying five exploration targets, including three unknown occurrences of hematite schist.
- Trenching commenced at the 7km long Kumrabai prospect located 2km east of Marampa with seven trenches for 455m sampled to date.

Leichhardt Copper Project

- Encouraging initial copper recoveries from recently commenced column leach tests of Mt Watson transitional mineralisation ranging from 52% to 74%. Recoveries are anticipated to continue to increase over the remaining months of the column leach tests.

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 the acquisition of CopperCo Limited’s assets, subscriptions to convertible notes, equity investments and the acquisition of strategic land packages, the Company has exposure to iron ore, copper, gold, uranium, phosphate and vanadium 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.

Equity Investments and Divestments

African Iron Limited (“African Iron”)

In January 2012, Exxaro Australia Investments Pty Ltd, a wholly owned subsidiary of Exxaro Resources Limited (“Exxaro”) a South African based mining group listed on the Johannesburg Stock Exchange, made a takeover offer for all of the shares and listed options in African Iron (“Takeover Offer”). Pursuant to the terms of the Takeover Offer, Exxaro offered A\$0.51 cash for each African Iron share, and confirmed that it would vary the Takeover Offer to increase the offer price to A\$0.57 per African Iron share if Exxaro acquired a relevant interest in at least 75% of African Iron shares (on a fully diluted basis).

On 27 February 2012, Exxaro declared the Takeover Offer unconditional, having reached a relevant interest of 97.88% interest in African Iron and advised that it would be proceeding with compulsory acquisition of the remaining shares in African Iron.

The Company had a relevant interest in 126,700,000 African Iron shares and acceptance of the Takeover Offer in respect of all the African Iron shares held by the Company generated cash proceeds for the Company of approximately A\$72.2 million, which was received during the quarter.

Marampa Iron Ore Project (“Marampa”)

As reported in previous quarterly reports, the Company commenced preparation for pursuing an initial public offering (“IPO”) and listing of Marampa on the Alternate Investment Market (“AIM”) of the London Stock Exchange.

The IPO and capital raising will enable the Company to sell down approximately 60 – 75% of its interest in Marampa and for Marampa to raise working capital to enable the completion of environmental permitting, grant of a mining licence agreement, project financing and the commencement of pre-construction activities for a first stage development of between 2-4Mtpa of concentrate production (“Stage 1”) and to complete a feasibility study for a Stage 2 development of a minimum 10Mtpa of concentrate production (“Stage 2”).

During the quarter, the Company continued preparations for an IPO of Marampa and expects to take a final decision on proceeding with the IPO of Marampa in the June 2012 quarter.

Consistent with the Company's business model, whilst the Company continues with IPO preparations, the Company still responds to interest received from third parties in respect to a sell down of its interest in the Marampa Project via an asset sale and has had a number of parties in the data room dedicated to the Marampa Project.

Chameleon Mining

In August 2010, the Company entered into strategic alliance with Chameleon Mining NL (ASX: CHM) ("Chameleon") pursuant to which the Company provided Chameleon with operational funding. As part of the alliance, Cape Lambert was entitled to a share of any judgement sum received by Chameleon arising out of, or in connection with, the Federal Court proceedings relating to Murchison Metals Ltd ("Murchison") and the ownership of the Jack Hills iron ore project ("Alliance Agreement").

In December 2011, Chameleon announced that it had reached agreement with Murchison and its related entities to finalise a commercial settlement in respect to the Federal Court proceedings. In accordance with the terms of that settlement, Chameleon received a total of A\$25 million from Murchison (A\$5 million received in December 2011 and the balance of A\$20 million received during the quarter).

During the quarter, the Company entered into a termination and settlement agreement with Chameleon in satisfaction of all outstanding obligations and rights of each party under the Alliance Agreement. Pursuant to the terms of that agreement, the Company received 40,000,000 shares in Chameleon in lieu of a fee payable pursuant to the Alliance Agreement, resulting in the Company holding approximately 13.7% of Chameleon. Additionally, Cape Lambert personnel will assist Chameleon in streamlining technical, financial, corporate and marketing activities to reduce costs, improve efficiencies and assess further activities. All obligations and rights of each party under the Alliance Agreement have now been satisfied in full.

Legal Action

MCC Legal Action

On 8 September 2010, Cape Lambert announced that it had commenced legal action against MCC Australia Sanjin Mining Pty Ltd, 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 iron ore 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 had 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. The Company is waiting on a decision by the Supreme Court regarding the jurisdiction of where the dispute will be determined and the requirement of MCC to pay A\$80 million into a trust account pending the resolution of the action (as contemplated in the MCC Agreement).

Pursuant to the terms of the MCC Agreement, the Company has also instigated mediation proceedings in Singapore in an attempt to resolve the dispute which are scheduled to take place in early May 2012.

The Company remains confident that it will be successful in establishing that the final payment is due and payable by MCC.

Secondary Sale of Securities

In late January 2012, the Company facilitated the secondary sale of 65 million shares (representing 9.4% of the issued capital of the Company) as part of an on-market transaction to a small number of prominent UK based institutions for a total consideration of A\$36.4 million. Following the transaction, the Company had approximately 37% of its share register represented by institutions.

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 a 305.18km² granted exploration licence (EL46/2011) (refer Figure 3) held by Marampa Iron Ore (SL) Limited, which is indirectly, a wholly owned subsidiary of Cape Lambert.

Resources

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 Figure 3). The resource comprises 261Mt at 28.7% Fe of Indicated Mineral Resources and 419Mt at 27.9% Fe of Inferred Mineral Resources and is based on drilling completed to May 2011.

The Project includes a total Inferred Mineral Resource of 42Mt at 32% Fe of soft, shallow oxide mineralisation at the four deposits. This mineralisation will form the basis for the planned Stage 1 development of the Project.

Work progressed during the quarter to design the resource definition drilling requirements and determine the priority resource extension targets at the four deposits.

Drilling

A program of approximately 1,500m of diamond drilling to obtain bulk samples for a design level metallurgical program commenced during the quarter. The program was planned to collect representative samples of both oxide and fresh hematite schist mineralisation from each of the four resource deposits, and to infill and increase confidence in the oxide mineral resources. A total of 925.1m in 18 holes was completed in the quarter; 2,941kg of half core from eight holes has to date been freighted to Perth for assay and metallurgical test work.

Metallurgy

Optimisation of the planned Wet, High Intensity Magnetic Separation (“WHIMS”) flow sheets continued during the quarter. Concentrate grades of >65% Fe were achieved in the first few cycles of the continuing locked cycle tests on a composite of fresh mineralisation from the Matukia deposit.

The planned design level test work program, scheduled to commence in the June quarter 2012, includes a systematic evaluation of metallurgical variability of oxide and fresh mineralisation types at each of the resource deposits. The program also includes assessment of comminution response, amenability to wet scrubbing for the near-surface oxide, and response to locked cycle WHIMS tests.

Rail and Port Infrastructure

Marampa is connected to the operating stockpiling and ship loading facility at Pepel Port via an existing 74km railway (“Pepel Infrastructure”). African Minerals has a 99 year lease for the operation of, and has recently refurbished and commenced exporting iron ore using the Marampa Infrastructure. African Minerals is also planning to construct a new deep water port at Tagrin and a rail network linking Tagrin and its Tonkolili Project (refer Figure 2).

Pursuant to the recently signed Binding Heads of Agreement (“HoA”) with African Minerals and African Railway and Port Services (SL) Limited (“ARPS”, a majority owned subsidiary of African Minerals), the Marampa Project has secured access to the operating Pepel Infrastructure and the planned Tagrin port under the following key terms (refer ASX Announcement dated 16 April 2012):

- ARPS will provide third party access rights on commercial terms to transport up to 2Mtpa of hematite concentrate from Marampa on the Pepel Infrastructure;
- ARPS will provide additional access to the proposed deep water port at Tagrin to enable the export of up to 16.5Mtpa of Marampa concentrate;
- includes a pre-emptive right to match the sale terms if the Pepel Infrastructure is offered for sale by ARPS; and
- grant of an option to African Minerals for the purchase of up to 2Mtpa of Marampa concentrate at the “mine gate, for a term of three years from commencement of production.

This landmark HoA provides an excellent infrastructure solution for the staged development of Marampa.

Environmental and Social Impact Assessment

Additional environmental baseline surveys were completed during the quarter, which included:

- A dry season aquatic biodiversity survey of the waterways; and
- Rural livelihoods survey of villages within the project area.

Preparation of the full form Environmental and Social Impact Assessment continues with the objective being to complete and lodge in the September quarter 2012.

Pinnacle (100% interest)

The key assets of Pinnacle 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 Pepel Infrastructure.

The Kukuna licence comprises rocks correlated with the Marampa Group stratigraphy, which host the specular hematite schist iron mineralisation at Marampa. The objective of exploration at Kukuna is to discover and define sufficient hematite schist mineralisation to support a standalone mining operation similar to the deposits identified at Marampa to the south.

Exploration

Initial exploration comprising geological mapping, trenching and ground IP geophysical surveys were completed in the first half of 2011, defining several drill targets under cover. Trenching and scout diamond drilling to test these targets commenced in July 2011. The drilling program was completed in November 2011 and the trenching program was completed in March 2012.

SRK Consulting was engaged during the March quarter 2012 to carry out structural mapping, geological modelling and estimation of an Exploration Target and/or Mineral Resource utilising the results of the drilling and trenching programs. This work will be completed in the June quarter 2012.

Metallurgy

Bulk samples of oxide and fresh mineralisation from the trenching programs totalling 259kg were freighted to, and received in Perth in the March quarter 2012. Sighter metallurgical test work was commenced on these samples with the aim to assess beneficiation performance using WHIMS, which has been demonstrated to be successful for Marampa.

Preliminary rougher WHIMS tests were conducted at a range of grind sizes, with the best rougher results being achieved on feed ground to pass 106 micrometres. Further work including single stage roughing, cleaning and re-cleaning tests are underway.

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 rocks of Archean age that are prospective for iron mineralisation, which are similar to the host rocks that contain the 6.16Bt Kalia deposit owned by Bellzone Mining plc located on the contiguous permit to the north.

Regional mapping and sampling completed in 2011 identified seven exploration targets with an aggregate strike length of >20km containing weathered and fresh magnetite Banded Iron Formation and confirmed in-situ iron grades of up to 48.5%. Detailed prospect mapping was completed on the priority targets at Sandenia and Sandenia East in later in 2011.

Assay results for the first two trenches completed at the Sandenia prospect in the December quarter 2011 were received (refer Table 1 for details) with the best result returned from trench SATR001 with 78.0m at 26.0% Fe. Further trenching is in progress at Sandenia on 800m traverses targeting several linear magnetic high anomalies.

Rokel Iron Ore Project (100% interest)

Metal Exploration (Mauritius) Limited, a wholly owned subsidiary of Cape Lambert, holds 13 granted exploration licences and four applications in Sierra Leone covering approximately 2,900km². This land package covers the region 70km to the north and south of Marampa (refer Figure 2). This land package is referred to as the Rokel Iron Ore Project (“Rokel” or “Rokel Project”) and is prospective for the discovery of hematite schist deposits geologically similar to those at Marampa, located proximal to the existing Pepel Infrastructure and planned Tagrin port.

SRK Consulting completed regional mapping in the March 2012 quarter over the granted Rokel tenements. This work identified five exploration targets prospective for hematite schist including the previously known Kumrabai and Kukuna north prospects. Kumrabai is located 7km east northeast of Lunsar. The three new targets are located 10-15km north northeast of Lunsar (Bumbe and Karena) and 12km south southeast of Lunsar (Makelbeng).

A trenching program commenced late in the quarter at Kumrabai, with a total of 455.2m in seven trenches completed and sampled, including clean out and sampling of four historic trenches in the north of the prospect. Initial results are expected in the June 2012 quarter.

Australis Exploration Limited (100% interest) (“Australis”)

Australis holds a portfolio of mineral rights, tenements and subsidiaries (refer Figure 4), which presently comprise:

- the exclusive rights to explore for and retain any value associated with rock phosphate on the tenements held by CST Minerals Lady Annie Pty Ltd (“CSTLA”) (“Lady Annie Phosphate Rights”);

- ten granted Exploration Licences totalling 7,018km² in the east of the Northern Territory, prospective for rock phosphate;
- four granted Exploration Licenses totalling 2,500km² and 11 applications for Exploration Permits totalling 5,191km² in north west Queensland, prospective for rock phosphate; and
- 100% of Mojo Mining Pty Ltd, which holds 15 granted Exploration Permits (“Mojo Project” or “Mojo”) totalling 2,434km², located 150km south of Mt Isa, prospective for large Mt Isa style base metal deposits under younger cover rocks.

The Mojo Project licences cover the projected southern extension of the Mt Isa Inlier under younger cover rocks. Interpretation of regional geophysical data indicates the licences cover a north northwest striking lensoidal-shaped sedimentary basin approximately 80km long and up to 10km wide, that appears similar to the Mt Isa Group metasedimentary basin to the north. This postulated basin is flanked by inferred Eastern Creek Volcanics (gravity/magnetic highs) with linear features suggestive of major faults bounding the basin. Drill targets analogous to the giant Mt Isa Cu and Ag-Pb-Zn orebodies are being sought under the younger cover rocks. The mineralisation at Mt Isa is typically located in metasedimentary rocks just inside and adjacent to volcanic rocks along the western edge of the sedimentary basin.

Processing and modelling of the ground gravity survey data collected in the December quarter 2011 was completed by consulting geophysicist Core Geophysics Pty Ltd. The survey was undertaken to better resolve features in, and the depth to basement. Available government gravity data is approximately 4km x 4km sample density. The 2011 survey comprised 800m lines with 200m stations covering 630km² with 4,086 stations.

The 2011 gravity survey has significantly improved detail in the basement gravity responses, and substantially refined, based on inversion modelling, the depth to basement including better resolving, and expanding areas being targeted <500m below surface.

Work next quarter aims to improve the exploration target model and to design and cost a deep penetrating geophysical survey and scout lithostratigraphic drill holes to test preferred basement targets in 2012.

The licences/permits situated along the margins of the Georgina Basin in the Northern Territory and Queensland that are prospective for rock phosphate are being packaged for sale or farm-out.

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 (refer Figures 4 and 5) and comprises:

- the Leichhardt process plant and accommodation camp at Mt Cuthbert; a heap leach, solvent extraction and electrowinning facility (“SX-EW”) with installed capacity of 9,000 tonnes per annum of copper cathode;
- a package of 47 granted tenements (approximately 660km²) and six applications for Exploration Permits (425km²);
- the established Mt Watson open pit located approximately 30km north of the Leichhardt process plant; and

- a mineral resource inventory of oxide, transitional and primary copper mineralisation at the Mt Watson and Leichhardt deposits and at other satellite deposits¹, and several targets that are prospective for oxide and primary copper deposits.

At Leichhardt, the Company's objective is to substantially increase the oxide copper resource inventory to recommence SX-EW operations at the existing nameplate capacity or greater, and to define standalone copper oxide and sulphide resources.

Mineral Resources

Independent geological consultant, Snowden was commissioned to update the mineral resource for the Mt Watson deposits during the quarter. This program will include updating to the last mining surfaces (November 2008), an updated geological interpretation, and review of the definition criteria and data for the oxide and transition ore types. Snowden's final report is due in the next quarter.

Work commenced to compile, verify and interpret the historic exploration information and drilling data covering the Mighty Atom group of deposits located <10km northeast of the Mt Cuthbert process plant. It is planned to prepare an updated mineral resource for this group of prospects, with the aim of increasing the oxide resource inventory that is within trucking distance.

Exploration

Work continued during the quarter to define and test oxide copper targets within trucking distance of the Mt Cuthbert process plant.

Metallurgical Testwork

Column leach tests on 3 representative samples of Mt Watson transitional ore commenced in the quarter. The tests are bacterially-assisted. Progressive copper recoveries after leaching for 49 days in the three columns are 52.4%, 73.9% and 63.8% respectively. It is anticipated that copper recoveries will continue to increase during the remainder of the leaching testwork, which will continue through to the September 2012 quarter.

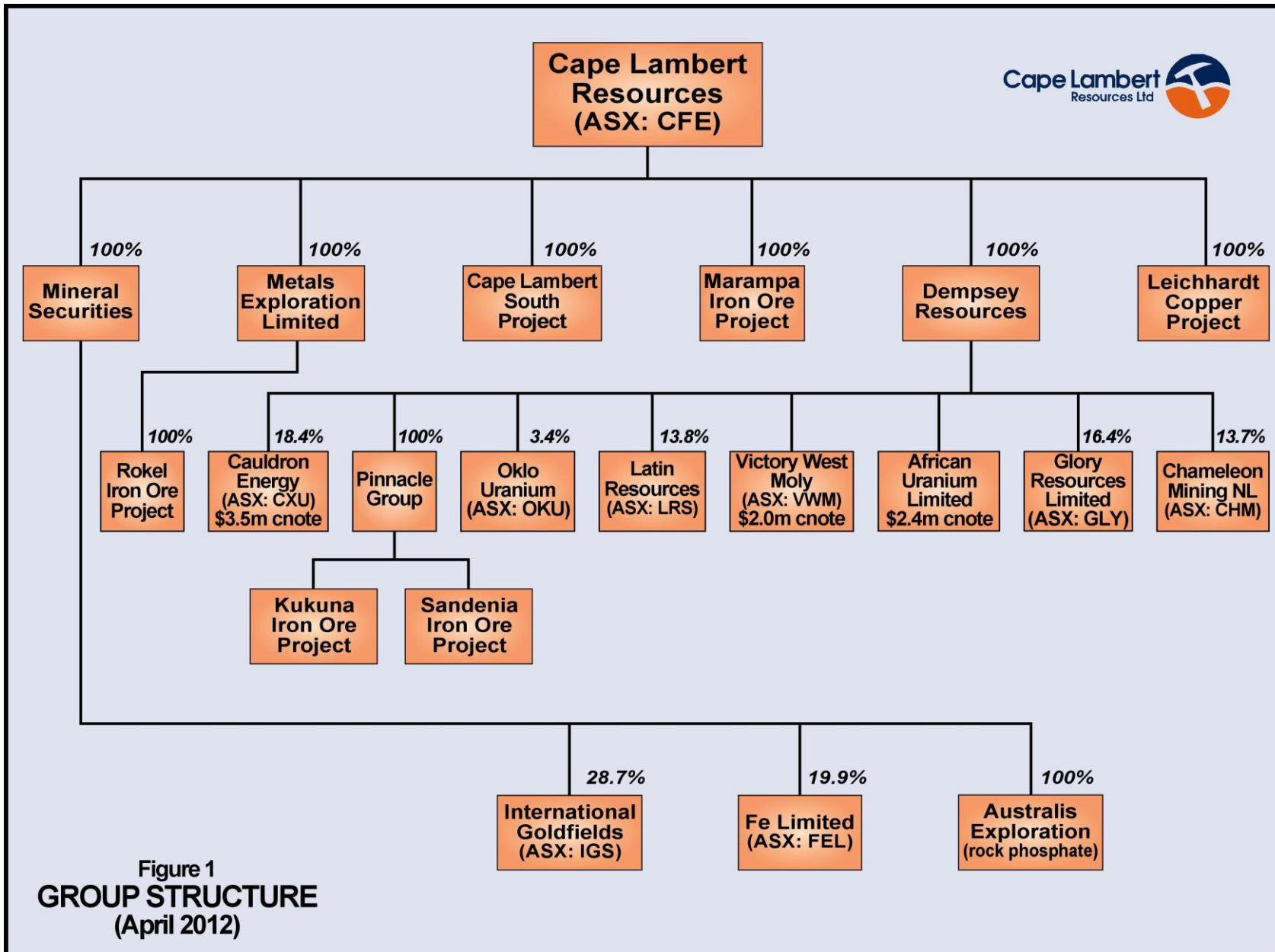
Competent Person:

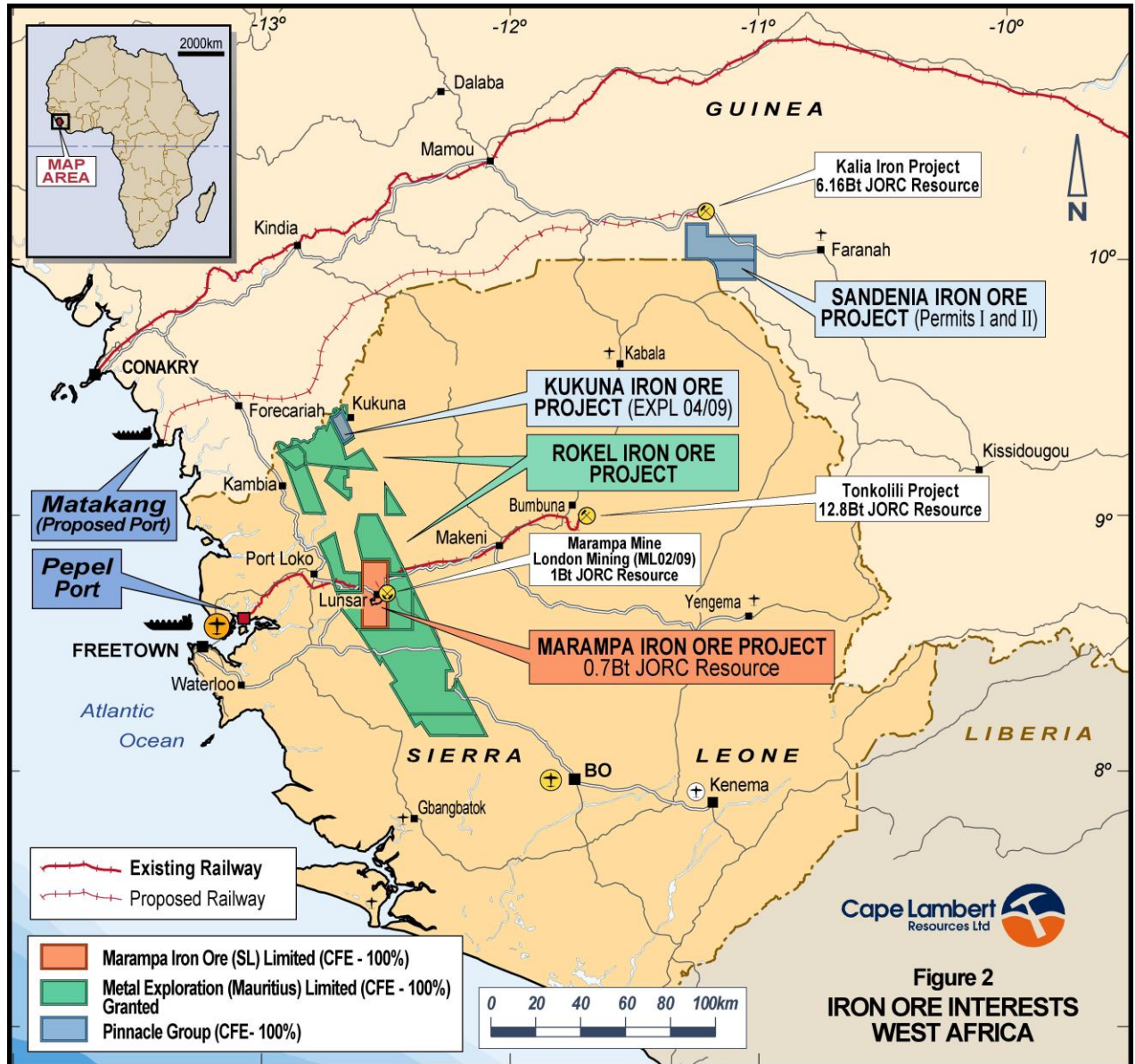
The contents of this Report relating to Exploration Results, Mineral Resources and Ore Reserves are based on information compiled by Kim Bischoff, a Member of the Australasian Institute of Mining and Metallurgy. Mr Bischoff is a consultant to Cape Lambert and has sufficient experience relevant to the 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 Bischoff consents to the inclusion in this report of the matters compiled by him in the form and context in which they appear.

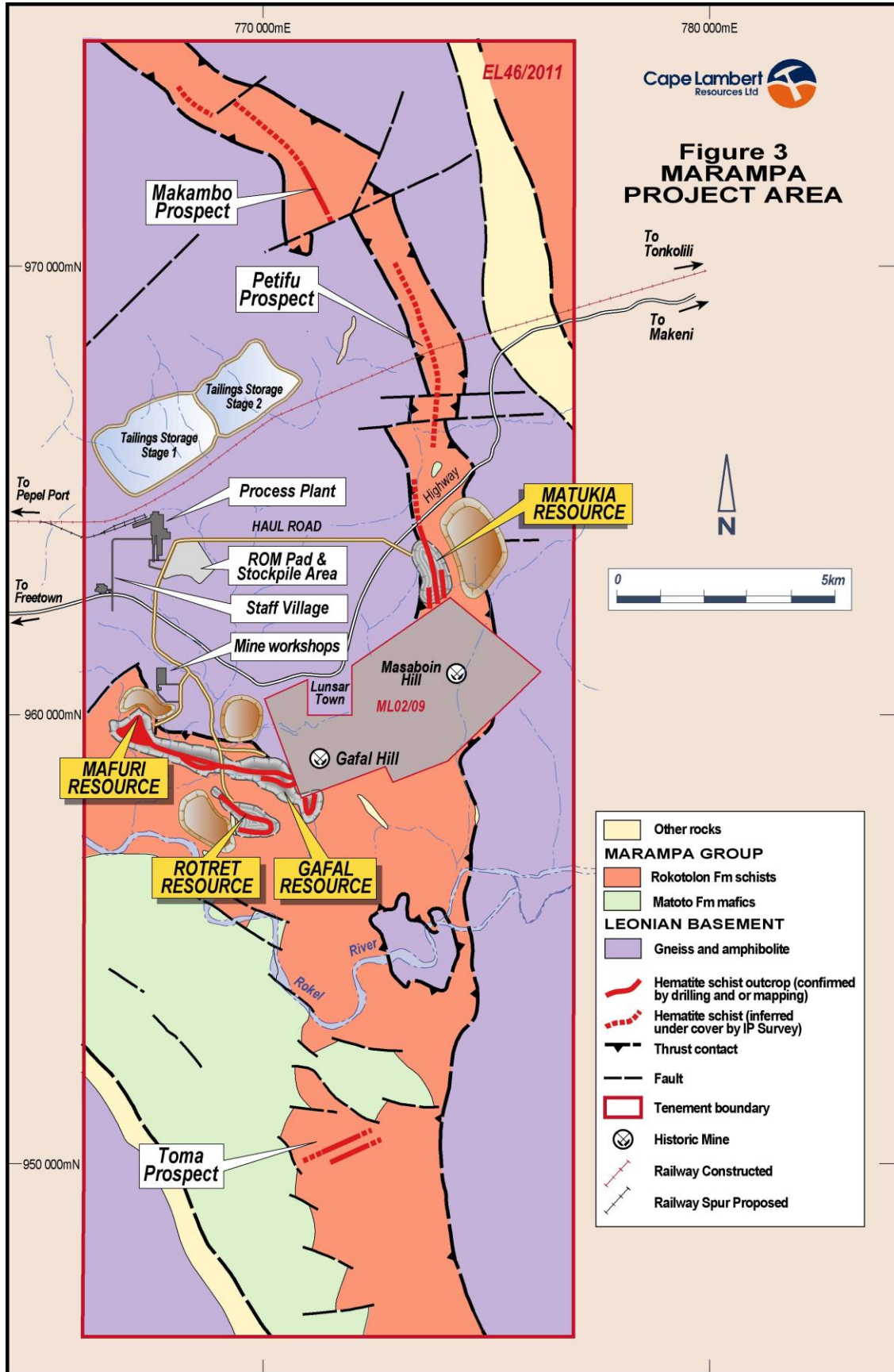
Competent Person:

The information in this Report that relates to Metallurgical Test Results is based on information reviewed and compiled by Mr Mike Wort, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wort 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 Wort consents to the inclusion in this report of the information in the form and context in which it appears.

¹ Refer Cape Lambert ASX Announcement dated 15 April 2011 for full details of the resource inventory.







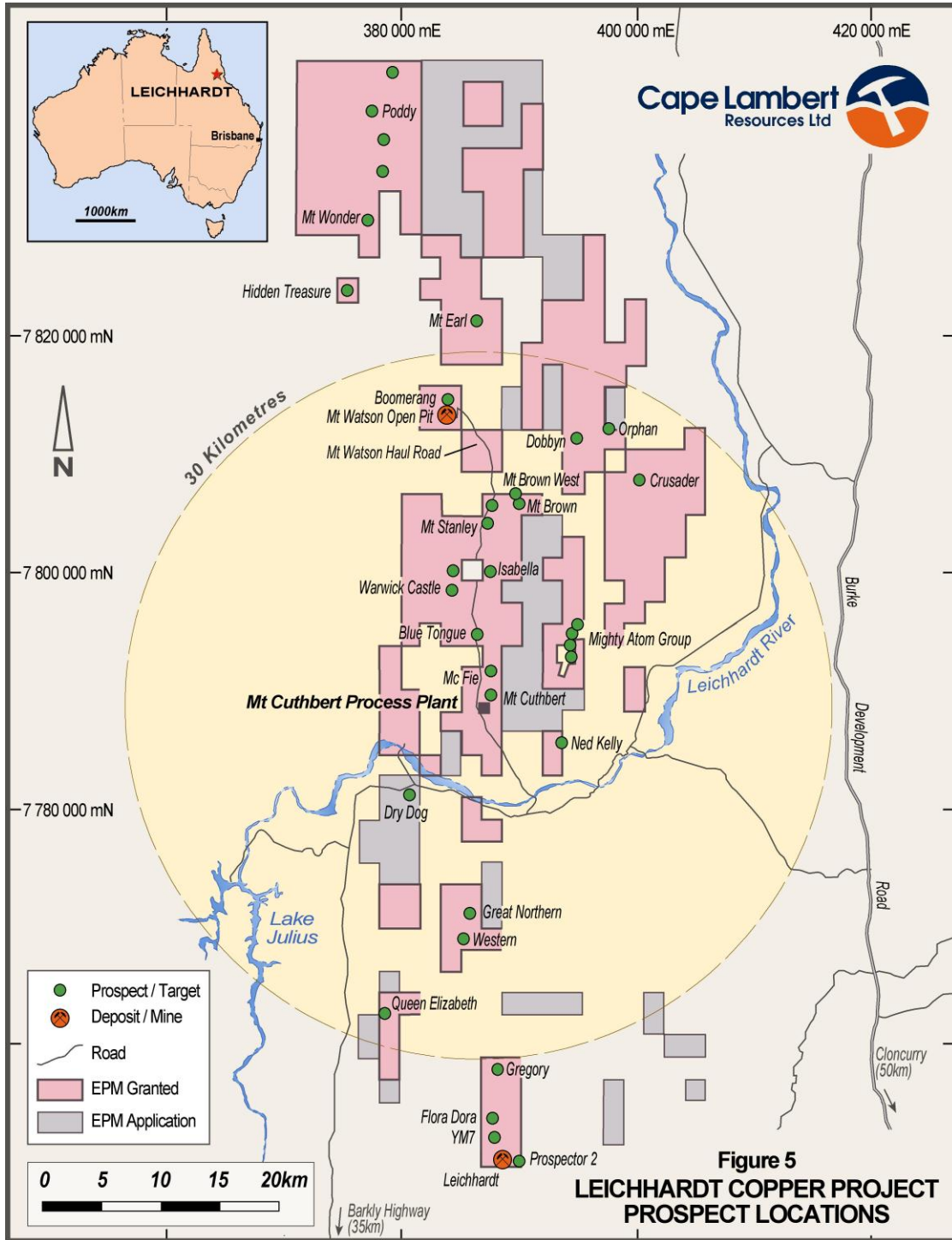


Table 1: Sandenia Trench Results

Trench Details							Intersection			Head Assay					LOI
ID	Easting	Northing	RL	Dip	Azimuth	E.O.H.	From	To	Length	Fe	Al ₂ O ₃	SiO ₂	P	S	
	UTM WGS84 Zone 28N			Degrees		m	m	m	m	%	%	%	%	%	%
SATR001	260690	1112384	504	0	0	86	8	86	78.0	26.0	12.1	43.2	0.03	0.01	6.0
SATR002	260382	1112210	519	0	0	75	38	72	34.0	17.9	22.1	40.5	0.03	0.01	10.8

Notes:

Lower cut-off 15% Fe, minimum intersection 8m, maximum 5m of internal waste.

Sample intervals are 2m composites except where certain sample lengths were varied to fit lithological boundaries

Intersections are horizontal lengths, not true widths

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

CAPE LAMBERT RESOURCES LIMITED

ABN

71 095 047 920

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(6,470)	(24,698)
(b) development	-	-
(c) production & care & maintenance costs	-	-
(d) administration	(2,168)	(6,714)
1.3 Dividends received	-	-
1.4 Interest and similar items received	293	1,122
1.5 Interest and other costs of finance paid	(28)	(63)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	(8,373)	(30,353)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(250)	(9,601)
(c) other fixed assets	(346)	(1,871)
(d) controlled entity	-	(5,000)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	899	2,899
(c) other fixed assets	-	-
(d) controlled entities	-	-
(e) associate	72,219	72,219
1.10 Loans to other entities	(89)	(1,115)
1.11 Loans repaid by other entities	100	100
1.12 Other: Cash backing security for performance / other bonds & bank guarantees released	38	582
Other: Cash backing security for performance / other bonds & bank guarantees provided	(35)	(51)
Other: Payment of transaction related and business development costs	(2,999)	(7,211)
Other: Cash balances disposed on sale of subsidiary	-	(93)
Net investing cash flows	69,537	50,858

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
1.13	Total operating and investing cash flows (carried forward)	61,164	20,505
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	450	2,790
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: repayment of loans by external entity	-	32,661
	Net financing cash flows	450	35,451
	Net (decrease) in cash held	61,614	55,956
1.20	Cash at beginning of quarter/year to date	37,508	43,096
1.21	Exchange rate adjustments to item 1.20	(36)	34
1.22	Cash at end of quarter	99,086	99,086

+ See chapter 19 for defined terms.

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	383,573
	Aggregate amount of payments to the parties included in item 1.12	1,151,909
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$383,573 payment of executive and non-executive director fees.

\$1,151,909 payment of success fees to executive director.

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

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	7,145
4.2	Development	-
4.3	Production	-
4.4	Administration	2,500
Total		9,645

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	14,023	27,338
5.2	Deposits at call	85,063	10,170
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		99,086	37,508

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	N/A	N/A	
6.2	Interests in mining tenements acquired or increased	Australis Exploration Pty Ltd EPM 17781 EPM 17777 EPM17780 EPM 17776 EPM17482 Cape Lambert Leichhardt Pty Ltd EPM 17916 EPM 17908 EPM 16998	Granted Granted Granted Granted Granted Granted Granted Granted	- - - - - - - -	100% 100% 100% 100% 100% 100% 100% 100%

+ 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	688,108,792	688,108,792		
7.4 Changes during quarter (a) Increases through issues (b) Increases through exercise of share options (c) Decreases through returns of capital, buy-backs	- 1,000,000 -	- 1,000,000 -	- - -	- - -
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>	7,800,000	7,800,000	N/A	N/A
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	1,000,000	1,000,000	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

+ See chapter 19 for defined terms.

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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Claire Tolcon
Company Secretary

Date: 30 April 2012

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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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