

30 July, 2013

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Quarterly Activities Report For The Period Ended June 30, 2013

The Directors of Regal Resources Limited (“Regal” or “the Company”) (**ASX:RER**) are pleased to present their Quarterly Activity Report for the period ended June 30, 2013.

REGAL SK Joint Venture, Democratic Republic of Congo

Ngoy Project

- During the Quarter the final ten (10) diamond holes of the Phase II, Kadutu Prospect drilling programme were completed for a total of 1,751.10m.
- The Phase II programme comprised a total of thirty two (32) diamond holes; (NGODD020 to NGODD051), drilled for an aggregate of 5,748.40m.
- Assay results have now been received for all the holes drilled in the programme.
- Significant recent results include:
 - **NGODD033: 5.90m @ 2.44g/t Au**
 - **NGODD037: 3.40m @ 11.96g/t Au**
 - **NGODD038: 18.80m @ 1.99g/t Au (includes 4.60m @ 6.21g/t Au)**
 - **NGODD039: 16.70m @ 2.38g/t Au (Includes 8m @ 4.36g/t Au)**
 - **NGODD040: 18.30m @ 1.38g/t Au**
 - **NGODD048: 4.50m @ 4.89g/t Au**
 - **NGODD049: 12.55m @ 10.49g/t Au**
 - **NGODD050: 12.40m @ 14.41g/t Au (includes 7.65m @ 22.48g/t Au)**
- The overall drilling results from the Phase II programme have extended a zone of significant gold mineralisation at Kadutu, from 100m of strike, at start of the programme, to over 750 m of strike and to 200 m vertical depth.
- Drill results have confirmed the presence of multiple high-grade, steeply plunging, lode structures within a more extensive mineralised system.

- There remains considerable potential to extend the known mineralisation at Kadutu and to delineate additional zones of gold mineralisation along a 12km regional shear structure.

Matala Project

A reconnaissance exploration programme was undertaken on permit (PR4816) to test for the western extension of the 17km long Matala soil anomaly.

- A total of 1,088 soil samples, 16 rock chip samples and 153 channel samples were collected and submitted to ALS Chemex, South Africa for gold and multi-element analysis.
- The results received for the channel samples have identified two new zones of anomalous gold mineralisation along strike from Matala East. Results include 2m @ 2.96g/t Au and 2m @ 3.06g/t Au.
- Gold grains were found in samples panned from streams draining an area of strongly silicified metasediments containing disseminated pyrite and bedding parallel quartz veins.

Regional Exploration

- Reconnaissance sampling of the permits PR's 4791, 4794 and 4802 was also completed during the Quarter.
- Several sites where hard rock tin and alluvial cassiterite (tin) mining has taken place were identified in PR4794.
- A number of alluvial gold occurrences were located in the permits PR 4791 and 4802.

Other

- The Company continued to investigate gold and copper project opportunities that have the potential to host significant mineral resources and provide early cash flow. All the projects under review are situated in areas amenable for cost effective exploration and development.

EXPLORATION ACTIVITIES IN THE DEMOCRATIC REPUBLIC OF CONGO

Background

Regal has a 60% interest in the Regal SK Joint Venture, which holds the title to fourteen (14) exploration permits covering an area of approximately 2,000km². The permits are strategically located in an underexplored, emerging gold province, the Kibara Mobile Belt, in the eastern DRC (Figure 1).

Exploration results from work conducted by Regal SK indicate that the permits have very similar geological characteristics to the nearby known deposits, which contain a reported 17Moz of gold resources.

In early 2012, Regal completed a first-pass diamond-drilling programme testing parts of a 6km long gold-in-soil anomaly delineated at the Ngoy Project. Seventeen (17) of the nineteen (19) holes drilled in the Phase I programme intersected significant shear hosted gold mineralisation. Better results included: 37.55m @ 8.09g/t Au, 31.5m @ 5.63g/t Au and 13.85m @ 4.11g/t Au.

High-grade mineralisation was confirmed over 100m of strike at the Kadutu Prospect, situated at the southern end of the Ngoy Project soil anomaly.

In November 2012, a Phase II drilling programme was commenced at Kadutu. The objective of the programme was to test an exploration target of 3Mt to 5Mt of gold mineralisation at a grade between 2g/t to 4g/t Au over a strike of 1,000m and vertical depth of 150m.

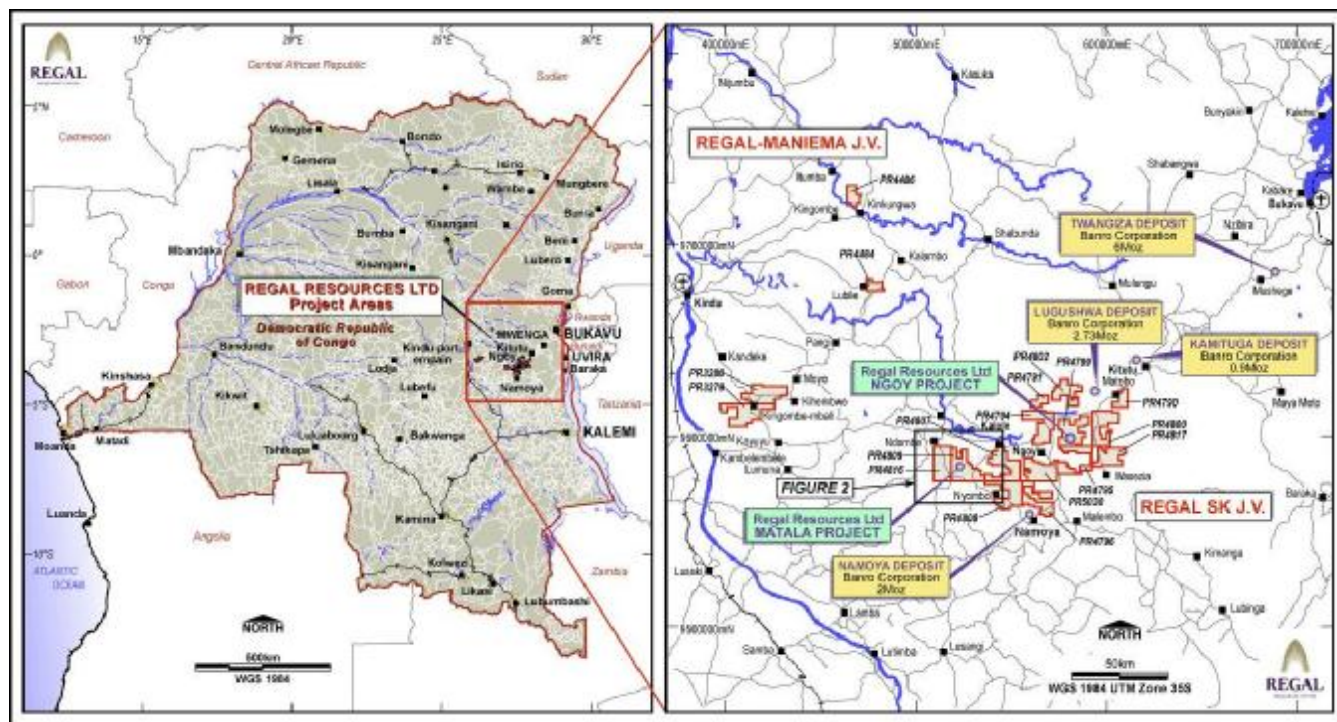


Figure 1. DRC Project Location Map

Ngoy Gold Project

Kadutu Prospect Exploration Drilling

The Phase II exploration drilling programme at Kadutu was completed in May. The final ten (10) holes of the programme, (NGODD042 to NGODD051) were drilled in the Quarter (highlighted in Table 1).

In total the Phase II programme consisted of thirty two (32) holes (NGODD020 to NGODD051) drilled for an aggregate total of 5,750m (Table 1).

New assay results reported during the Quarter were for the holes (NGODD031 to NGODD051, highlighted in Table 1). All assay results for the holes drilled in the programme have now been received (Table 2).

Significant results from the Phase II drilling programme include:

- **NGODD020: 20m @ 4.15g/t Au (includes 8.91m @ 6.96g/t Au)**
- **NGODD021: 9m @ 3.49g/t Au**
- **NGODD022: 16.5m @ 1.17g/t Au**
- **NGODD023: 10.55m @ 1.43g/t Au**
- **NGODD024: 13.3m @ 4.72g/t Au**
- **NGODD025: 32.87m @ 2.64g/t Au**
- **NGODD026: 46.10m @ 5.40g/t Au (includes 2m @ 93.45g/t Au)**
- **NGODD027: 8.35m @ 4.01g/t Au**
- **NGODD030: 23.62m @ 3.66g/t Au (includes 6.11m @ 8.52g/t Au)**
- **NGODD033: 5.90m @ 2.44g/t Au**
- **NGODD037: 3.40m @ 11.96g/t Au**
- **NGODD038: 18.80m @ 1.99g/t Au (includes 4.60m @ 6.21g/t Au)**
- **NGODD039: 16.70m @ 2.38g/t Au (Includes 8m @ 4.36g/t Au)**
- **NGODD040: 18.30m @ 1.38g/t Au**
- **NGODD048: 4.50m @ 4.89g/t Au**
- **NGODD049: 12.55m @ 10.49g/t Au**
- **NGODD050: 12.40m @ 14.41g/t Au (includes 7.65 m @ 22.48g/t Au)**

The results of the completed Phase II drilling programme have continued to confirm the high-grade nature of gold mineralisation at the Kadutu Prospect as well as the continuity of the mineralisation both along strike and down dip (Figure 2).

Mineralisation at the Ngoy Project is associated with a brittle-ductile shear zone that has an interpreted strike extent of at least 12km. Soil sampling results have delineated multiple targets over a strike length of 6km (inset Figure 2).

In drill core, the shear zone is clearly identifiable and marked by a distinctive zone of strongly altered and deformed metamorphic rocks. The metamorphic rock package comprises alternating units of quartz-sericite-biotite schists and amphibolites. The entire rock package has been intruded at a later-stage by syn-tectonic boudinaged pegmatite dykes.

Gold mineralisation is localised in ductile shear fabric and is associated with quartz vein stockworks, pyrite and arsenopyrite hosted in schists (metamorphosed sediments). The shear in turn is broadly controlled by the contact between ductile schists and more brittle amphibolites.

Visible gold grains (<2mm in size) are frequently observed along margins of deformed and sulphidised quartz veins and in vein selvages.

While significant widths and grades of mineralisation have been intersected on almost all of the section lines testing the current 750m strike extent of mineralisation at Kadutu, the most recent results confirm that within the wider mineralised system there are multiple, steeply plunging, high to very high grade mineralised lode structures estimated to be in excess of 150m in strike length up to 20 metres in true width and extending to a vertical depth in excess of 200m (Figure 3).

This laterally changing but continuous geometry of shear-zone hosted gold mineralisation is typical of high-grade lode systems as they are found, for example, in the goldfields of Western Australia. The geometry is a reflection of the mineralising process and its regional extent.

The results of the Phase II drilling indicate that the mineralisation system at Ngoy is possibly more extensive and complex than had been appreciated at the start of programme.

Before committing to further drilling the Company will conduct a comprehensive evaluation of all results received from exploration work at the Ngoy Project.

The review will include an assessment of options available to expand the extent of the mineralisation, such as:

- Targeting for the discovery of further high grade shoots of mineralisation and the continuance of high grade mineralisation at depth.
- Step out drilling along strike.
- Testing various structural settings. Primary targets are northwest trending structures, which cross cut, the main shear zone. Previous drill results have shown that these intersections are favourable sites for high-grade mineralisation.
- Splay structures at the southern end of the Kadutu Prospect that have been interpreted from current soil geochemistry and geophysics.
- Investigating the possibility of parallel blind mineralised structures within a wider regional shear zone.
- Targeting the Nyamikundu Prospect and testing this mineralised system south towards Kadutu.

The Company is extremely pleased with the outcome of the Phase II drilling programme and the results highlight the potential to discover new high quality resources in this emerging gold producing region.

A suite of drill core samples representative of the mineralized zones intersected at Kadutu have been shipped to the SGS Laboratory in South Africa for metallurgical testing to determine the nature and potential gold recovery characteristics of the mineralisation.

Table 1: Collar details for all drill holes completed for Phase II. Highlighted are drill holes completed during the reporting period.

Drill Hole ID	East (UTM)	North (UTM)	RL	Dip	Azimuth (magnetic)	Hole Type	EOH	Recovery (%)
NGODD020	579427	9596789	680	-68	290	DD	210.00	98
NGODD021	579406	9596698	692	-65	290	DD	240.00	99
NGODD022	579405	9596747	684	-50	290	DD	100.20	98
NGODD023	579406	9596749	698	-60	290	DD	160.00	96
NGODD024	579412	9596747	694	-66	290	DD	220.00	97
NGODD025	579438	9596837	692	-50	290	DD	140.00	95
NGODD026	579442	9596832	698	-60	290	DD	175.00	96
NGODD027	579453	9596828	694	-66	290	DD	218.80	98
NGODD028	579356	9596649	705	-51	290	DD	170.80	97
NGODD029	579363	9596649	679	-60	290	DD	215.40	98
NGODD030	579373	9596644	685	-51	290	DD	218.10	99
NGODD031	579323	9596561	698	-51	290	DD	189.20	93
NGODD032	579328	9596553	625	-60	290	DD	196.20	95
NGODD033	579335	9596554	674	-66	290	DD	201.60	95
NGODD034	579340	9596552	700	-71	290	DD	205.10	99
NGODD035	579363	9596925	698	-51	290	DD	145.30	92
NGODD036	579468	9596930	700	-60	290	DD	180.70	90
NGODD037	579478	9596930	687	-66	290	DD	221.00	92
NGODD038	579305	9596458	677	-52	290	DD	112.80	96
NGODD039	579311	9596458	677	-65	290	DD	157.10	98
NGODD040	579313	9596455	677	-72	290	DD	160.50	99
NGODD041	579363	9596441	677	-72	290	DD	159.50	95
NGODD042	579443	9596880	687	-51	290	DD	127.20	89
NGODD043	579517	9597019	698	-51	290	DD	95.10	83
NGODD044	579523	9597014	697	-60	290	DD	148.00	88
NGODD045	579451	9596877	690	-60	290	DD	233.90	93
NGODD046	579339	9596328	680	-52	270	DD	196.30	93
NGODD047	579345	9596331	674	-66	290	DD	83.90	92
NGODD048	579345	9596599	689	-66	290	DD	168.70	91
NGODD049	579381	9596643	688	-70	290	DD	220.20	92
NGODD050	579435	9596782	695	-71	290	DD	230.40	95
NGODD051	579470	9596883	690	-71	290	DD	247.40	98

Table 2: Significant intercepts for all drill holes completed for Phase II. Highlighted are drill holes for which results were received during the reporting period.

Hole ID	From (m)	To (m)	Down hole Interval (m)	Au (g/t)	% Recovery	Comments
NGODD020	141	157.55	16.55	5.16	99	includes 5.83m @ 12.42g/t Au
	171	191	20	4.15	100	includes 8.91m @ 6.96g/t Au
NGODD021	173.9	182.9	9.00	3.49	100	
NGODD022	0	6.4	6.40	0.49	82	
	63.65	80.15	16.50	1.17	99	
NGODD023	1	4	3.00	0.54	93	
	7.3	13.7	6.40	1.18	86	
	78.7	80.2	1.50	0.68	100	
	101.15	111.7	10.55	1.43	100	
	116.4	120.4	4.00	0.64	100	
NGODD024	140.9	154.2	13.30	4.72	99	
	160.65	162.9	2.25	1.14	100	
	169.9	175.25	5.35	2.19	100	
NGODD025	76	108.87	32.87	2.64	99	
NGODD026	90	136.1	46.10	5.4	100	includes 2m @ 93.45g/t Au
NGODD027	176.9	185.25	8.35	4.01	100	
NGODD028	102.1	103	0.90	1.03	100	
NGODD029	119.8	128	8.20	0.28	100	
NGODD030	129.25	152.87	23.62	3.66	100	includes 6.11m @ 8.52g/t Au
NGODD031	46	47.3	1.30	0.73	100	
NGODD032	65.9	71.22	5.32	0.61	100	
NGODD033	90	95.9	5.90	2.44	100	
NGODD034	33.9	35.87	1.97	1.47	100	
	113.3	117.8	4.50	0.67	98	
NGODD035	67	73.9	6.90	0.85	100	
NGODD036	90.3	93.85	3.55	0.64	100	
NGODD037	138.8	142.2	3.40	11.96	100	
	158	158.9	0.90	1.2	89	
NGODD038	29.7	48.5	18.80	1.99	97	includes 4.6m @ 6.21g/t Au
NGODD039	38	54.7	16.70	2.38	100	includes 8m @ 4.36g/t Au
NGODD040	58.1	76.4	18.30	1.38	99	
NGODD041	26.75	34.6	7.85	0.47		
	131.5	138.27	6.77	0.84		
	141.6	148.75	7.15	0.21		
NGODD042						NSI
NGODD043						NSI
NGODD044	60.2	65	4.80	0.29	100	

Hole ID	From (m)	To (m)	Down hole Interval (m)	Au (g/t)	% Recovery	Comments
NGODD045	123	123.9	0.90	0.25	100	
NGODD046	32.5	36.5	4.00	0.5	100	
NGODD047	59.7	75.52	15.82	0.59	100	
	81.52	82.52	1.00	2.2	100	
NGODD048	27	31.5	4.50	4.89	84	
NGODD049	195.15	207.7	12.55	10.49	100	
NGODD050	180.4	200.3	19.90	1.45	100	
	214.2	226.6	12.40	14.41	99	includes 7.65m @ 22.48g/t Au
NGODD051	33	34.2	1.20	0.5	100	
	218.76	220	1.24	0.42	100	

Notes: 1. All holes are diamond drill holes containing NQ2 and HQ core. 2. All samples comprise crushed half core. 3. Assaying is conducted at ALS Chemex Laboratories, Johannesburg, South Africa using industry standard 30g Fire Assay with AAS finish. Assays >100g/t Au are finished gravimetrically. 4. Certified reference materials, blanks and crushed lab duplicates are inserted into the sample stream and monitored by CSA Global UK. 5. Down hole intercepts are quoted to two decimal places using a >0.2g/t lower cut-off which includes no more than 3m of internal dilution (>0.2g/t Au). 6. No high cut-off grade has been applied. 7. True widths are approximately 45-65% of the reported down-hole interval. 8. NSI – no significant intercept.

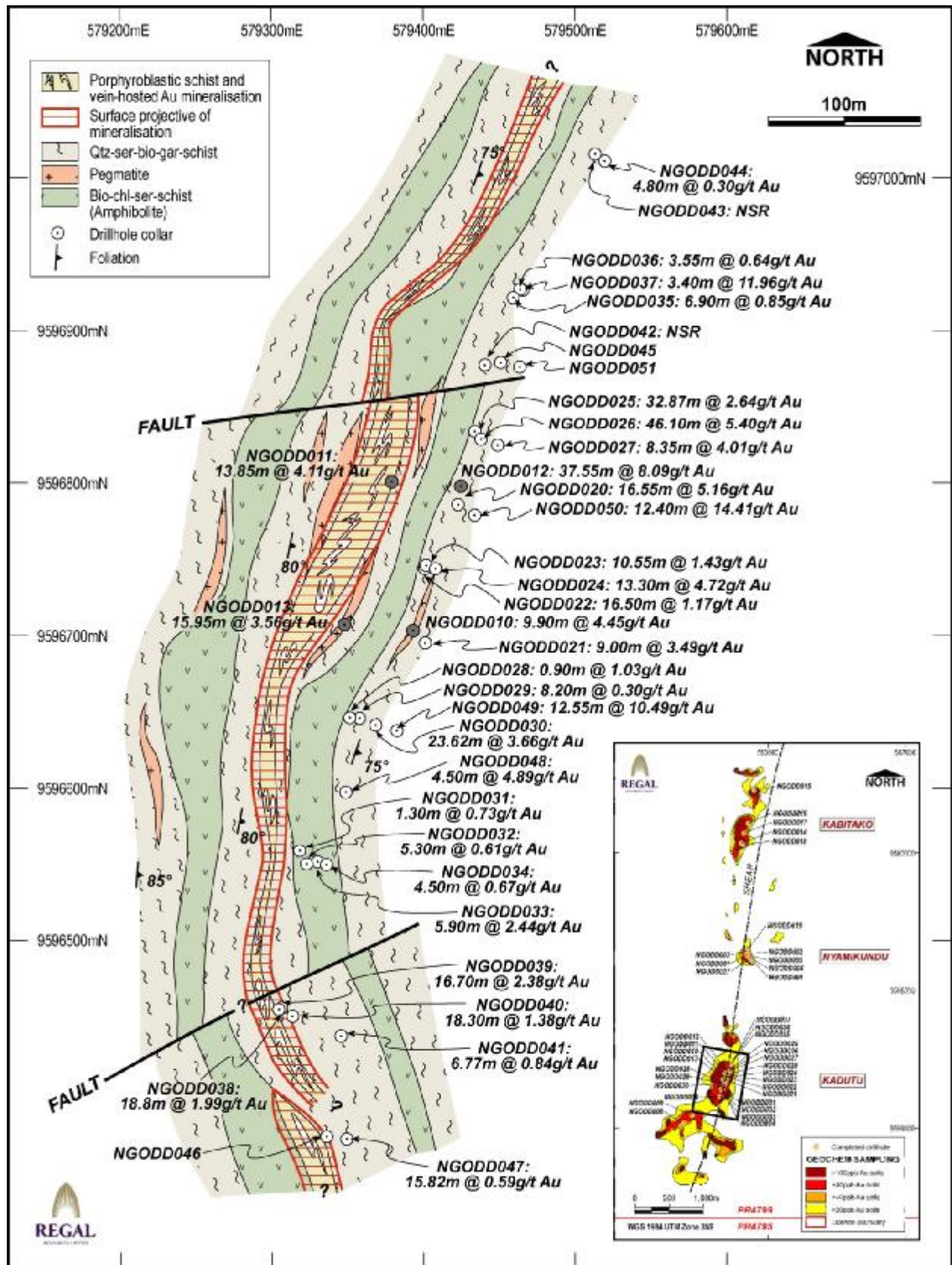


Figure 2. Geological Map and Collar Location Plan at Kadutu with Drilling Intercepts

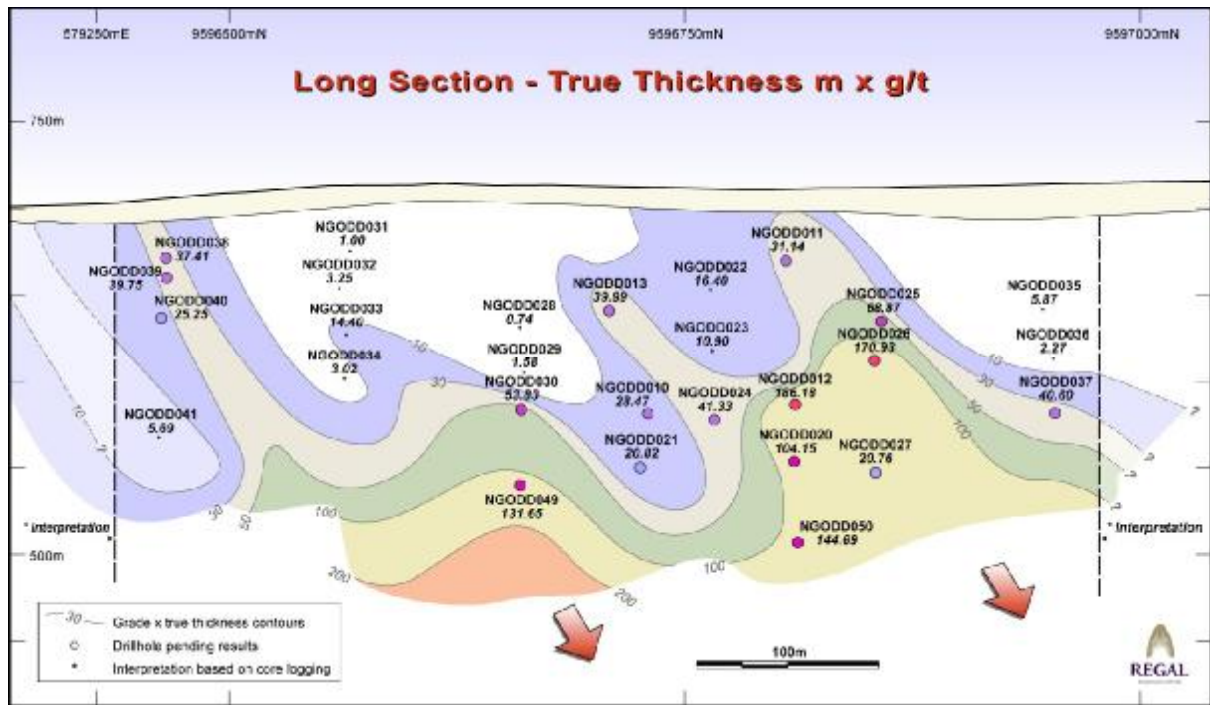


Figure 3: Long Section showing width (true thickness) meter x grade value contours that highlight the plunging shoot nature of mineralisation and potential for continued high-grade mineralisation.

Matala Project

During the Quarter a reconnaissance sampling programme that included grid soil sampling (100m x 400m), rock chip sampling and channel sampling, was completed over parts of permits PR4816 and PR4809 (Figure 4).

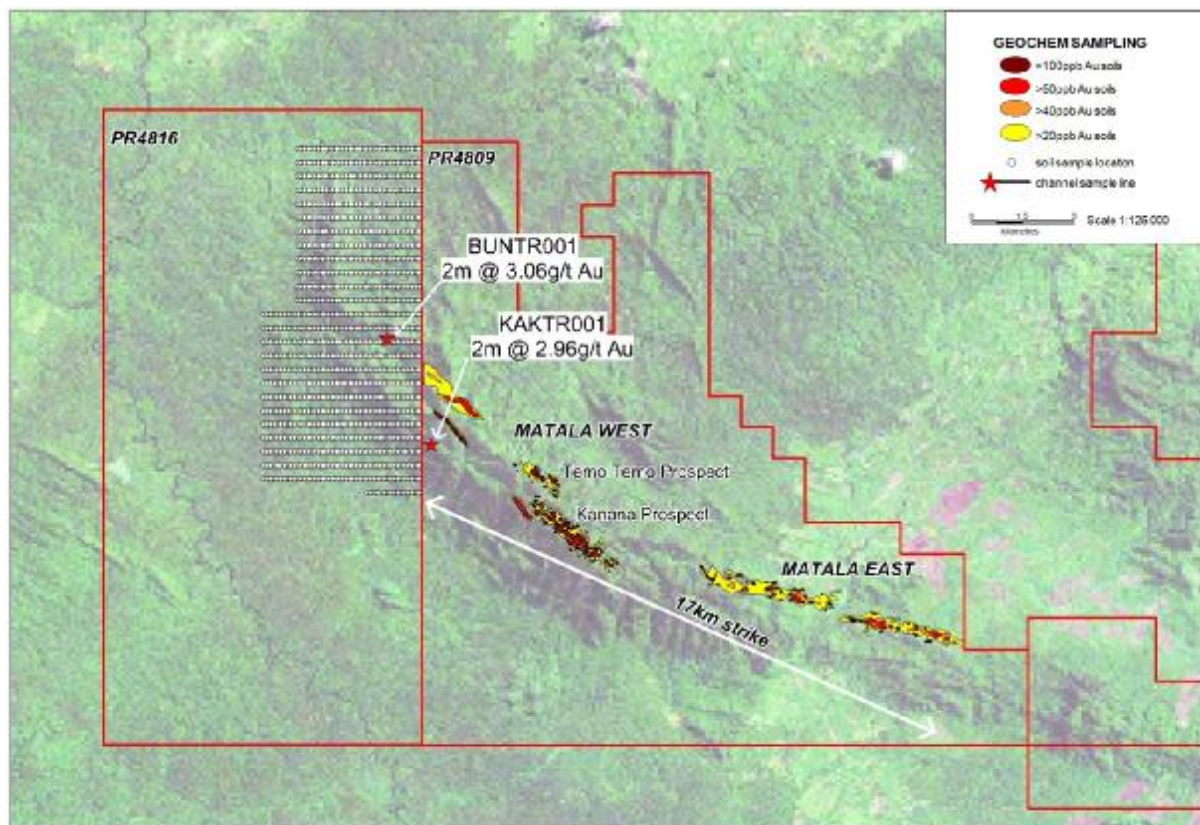


Figure 4. Area on PR4816 tested by grid soil sampling and location of high value channel samples.

The objective of the programmes was to increase the strike extent of the 17km long Matala-soil anomaly. Within the broader Matala-West anomaly are two areas, Kanana and Temo Temo, where high tenor gold soil anomalism has been identified that overlies significant mineralised bedrock.

A total of 1,088 soil samples, 16 rock chip samples and 153 channel samples were collected and submitted to ALS Chemex, South Africa for gold and multi-element analysis (Figure 4).

All of the results for the channel sampling have been received. The highest-grade results include: 2m @ 2.96g/t Au and 2m @ 3.06g/t Au. The results have identified two new zones of anomalous gold mineralisation along strike from Kanana and Temo Temo (Figure 4).

Mineralisation comprises strongly silicified metasediments containing disseminated pyrite and deformed bedding parallel quartz veins identical in style to mineralisation observed along strike at Kanana.

The results have extended the potential strike of the 17km long strike Matala anomaly by a further 5km to the west.

The exploration work completed by the Company at the Matala Project covers only the western end of a regionally significant, structural corridor that transects a number of the Regal SK permits. The Banro Corporation' Namoya deposit (~2Moz Au) is interpreted as being localised on the south eastern extension of the structure.

A number of high priority exploration targets identified from the Regal SK, 2010 reconnaissance sampling programme also fall within this structural corridor and plans are in place for these to be followed up as part of the strategy to develop a pipeline of drill ready targets.

Regional Exploration

During the Quarter a reconnaissance sampling programme was conducted over the permits PR's 4791, 4794 and 4802, which are located some 20km to the northwest of the Ngoy Project (Figure 5).

The sampling programme was designed to target a number of structural domains considered to be analogous to the geological settings hosting the major deposit in the region (e.g., Lugushwa, ~5Moz Au, Figure 5).

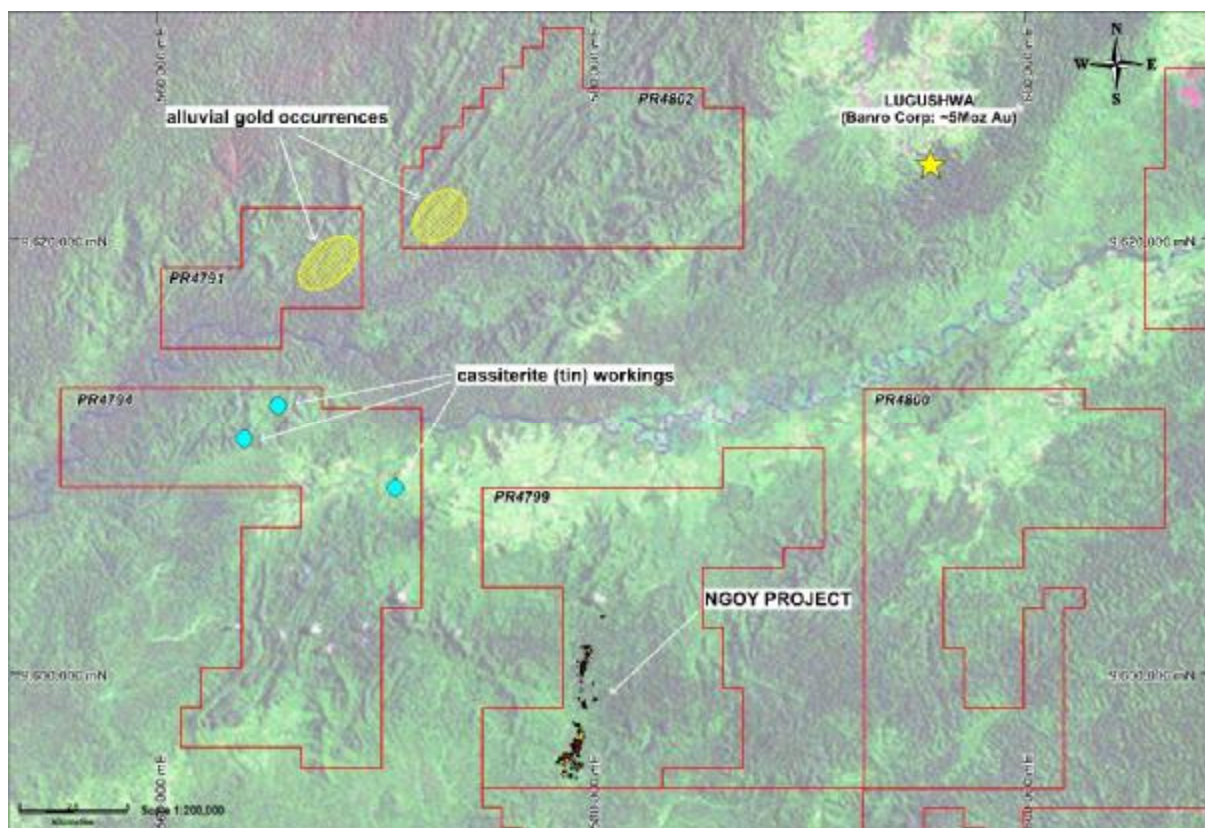


Figure 5: Satellite image of PR's 4791, 4794 and 4802 showing location of cassiterite (tin) workings and alluvial gold occurrences northwest of the Ngoy Project.

A total 65 rock chip samples and 122 stream sediment samples were collected.

Three sites of historic hard rock and alluvial cassiterite (tin) mining were identified in the northern part of PR4794. The cassiterite is hosted in pegmatite veins situated some 2-3km from the margin of a large granitic intrusion.

Maniema Project

The Company has taken the decision to withdraw from the Regal Maniema Joint Venture. The Company has not undertaken any exploration activities on the four (4) permits making up the JV since 2011.

FARM-IN AGREEMENT WITH CIRIS ENERGY – ISBC TECHNOLOGY

During previous reporting periods, two core holes were drilled at the Company's brown coal tenement in Victoria, EL 4510, which was funded by Ciris Energy (Victoria) Pty Ltd. Ciris advised that initial indications showed one of the core holes to have strong prospectivity for Ciris' ISBC (In-Situ Bio Conversion) technology with evidence of thick coal, good permeability and sealing formations above and below the coal seams.

Coal samples from the one core hole was sent to Ciris' laboratory in Colorado USA for microbial testing. The results, which included DNA testing, showed negligible methane producing microbes.

Ciris also advised that although there was evidence of methane producing microbes in EL 4510 at the Oak Park location, the coal permeability was insufficient for viability.

As part of agreement, Regal has put forward details of third party opportunities (on coal resources not held by Regal) for Ciris' consideration. Should Ciris deem these prospective, the two parties may seek to secure access to these resources via farm-in or acquisition.

Commercialization of the Ciris microbial coal to natural gas conversion technology is currently undergoing late-stage testing in its first commercial scale project in the Powder River Basin of Wyoming. Learnings from this project will be applied to any joint ISBC activities undertaken.

About Ciris and ISBC

Ciris Energy, Inc., Ciris, is a private company founded in 2007 and head-quartered in Centennial, Colorado, USA. It has conducted successful field trials in the Powder River Coal Basin (PRB) in Wyoming. It has leased acres in the PRB and has a strategic aim to be a major gas producer. It is funded through the backing of major venture capital and energy industry companies as shareholders.

Ciris has multiple patents filed and issued relating to its ISBC technology and has a proprietary reservoir simulation model. The ISBC process involves the mix of a proprietary

dilute solution of harmless, non-toxic natural minerals salts and organic chemicals at low concentration with the coal seam formation water and continuously circulate it through the coal seam (in an anaerobic environment). The seam is accessed via wells drilled upstream (injection wells) and downstream (extraction wells). These dilute chemicals stimulate the indigenous microbes already present in the coal seams to grow and convert a small portion of the coal carbon to methane gas. The process is an all-natural process. Field trials have shown that the process has minimal impact on coal seam formation water quality.

ISBC technology does not utilise any hydraulic fracturing (fracking) or dewatering of production wells. It is expected to cost less than current coal seam gas and conventional gas methods, with a much lower environmental impact.

VICTORIAN BROWN COAL TENEMENTS

Given the results from the Ciris test work, Regal feels there are no more viable commercialisation options available at this time for the coal resources in EL 4507 and EL 4510 and has taken the decision to relinquish both the permits.

UNDERGROUND COAL TO LIQUIDS (UCTL)

There was no work undertaken during the Quarter, however the Company, through its 50% owned entity UCTL Pty Ltd, is continuing to follow the dispute resolution process as outlined in the License Agreement with Forbes Oil and Gas Pty Ltd.

For any further information, please contact Mr David Young on +61 3 8610 8633.

David Young
Managing Director



Competent Persons Statement: Scientific or technical information in this release has been prepared by Mr David Young and Dr Simon Dorling, the Company's Managing and Technical directors. Mr David Young is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and Dr Simon Dorling is a member of the Australasian Institute of Geoscientists (MAIG). Both Mr Young and Dr Dorling have sufficient experience which is relevant to the style of mineralisation under consideration and to the activity which they are 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" (the JORC Code). Mr David Young and Dr Simon Dorling consent to the inclusion in this report of the Information, in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

REGAL RESOURCES LIMITED

ABN

23 106 294 106

Quarter ended ("current quarter")

30 JUNE 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 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	(1,295)	(6,039)
(b) development	-	-
(c) production	-	-
(d) administration	(200)	(889)
(e) bank guarantee	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	22
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(1,491)	(6,906)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(4)	(6)
1.9 Proceeds from sale of:		
(a) prospects	-	6,714
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – Development of UTCL and W10	(3)	(99)
Net investing cash flows	(7)	6,609
1.13 Total operating and investing cash flows (carried forward)	(1,498)	(297)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,498)	(297)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	82
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 (R&D Concession, Tax Refund)	25	191
	Net financing cash flows	25	273
	Net increase (decrease) in cash held	(1,473)	(24)
1.20	Cash at beginning of quarter/year to date	5,498	4,051
1.21	Exchange rate adjustments to item 1.20	575	573
1.22	Cash at end of quarter	4,600	4,600

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	150
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Wages and Consultancy fees paid to directors and director related entities during the Jun 2013 quarter.

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

Nil

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

Nil

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	600
4.2 Development	5
4.3 Production	-
4.4 Administration	200
Total	805

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	4,600	5,498
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,600	5,498

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	-	-	-	-
6.2 Interests in mining tenements acquired or increased	-	-	-	-

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.

	Number issued	Number quoted	Par value (cents)	Paid-up value (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	88,401,822	88,401,822		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.5 +Convertible debt securities <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.7 Options <i>(description and conversion factor)</i>	12,222,004 3,333,334 20,500,000	- - -	<i>Exercise price</i> \$0.90 \$0.45 \$0.08	<i>Expiry date</i> 17/03/2014 31/03/2014 31/10/2017
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	Nil	Nil		
7.12 Unsecured notes <i>(totals only)</i>	Nil	Nil		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law 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:

Date: 30 July 2013

Print name: ADRIEN WING

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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