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REX MINERALS LTD
ACN 124 960 523

ASX Release: 29 July, 2013

Quarterly Activities Report - for the period ended 30 June 2013

ASX Code: RXM
Shares on Issue: 188.9 million
Options on Issue: 5.0 million

Cash on hand as at 30 June: A$24.8m
Market Cap as at 26 July: $111.4m
Share range in quarter: 25c to 45.5c
Website: www.rexminerals.com.au

MOU signed for EPC contract and debt for US$550 million.

Ore Reserves increased to 12 years, Australia's largest open pit copper Reserves.

An updated production plan for Hillside, estimated $2.5bn in after tax cash flows[1].

Mining approvals submitted.

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HIGHLIGHTS

Corporate

- Engineering, Procurement & Construction ("EPC") and Financing Memorandum of Understanding ("MOU") signed with China Nonferrous Metal Industry's Foreign Engineering and Construction Co. Ltd ("NFC") for financing, construction and development of the Hillside Copper/Gold/Iron Project ("Hillside").
- NFC to facilitate the debt funding of the project development costs through major Chinese banks, such as China Minsheng Banking Corp., and others, based on 70% of the EPC contract turnkey cost, with an indicative amount of US$550m.
- Rex lodged its 2012 income tax return with the ATO during the quarter which included an R&D claim of approx. $3m. The refund was received on 1 July 2013 and is **not** included in the cash balance as at 30 June 2013.

Hillside Project

- Rex completed an updated Mineral Resource and Ore Reserve estimate late in the quarter to deliver Australia's largest open pit copper Ore Reserve. These estimates were independently audited by AMC.
- An updated production plan for Hillside defined an estimated $2.5bn in after-tax cash flows[1] for the first 10 years of production.
- Copper recoveries increased from 88% to 91% in pilot plant test work.
- Mining Licence documentation submitted in April 2013.

Regional Exploration Program

- Updated regional geochemistry results show new strong response NW of Hillside. Responses shown to be at least 1km in length with intensity almost double that of the Hillside geochemical soil results.

SUMMARY COMMENTS

Rex continued to advance the Bankable Feasibility Study ("BFS") for Hillside, and drilling this quarter focussed on the conversion of Mineral Resources into Ore Reserves. The drilling for this program is now complete with results contributing to an updated, audited Mineral Resource including an updated 12 year Ore Reserve and Production Plan. Rex signed a MOU to provide a framework for co-operation for establishing the cost and programme for delivery of Hillside. In addition, the MOU establishes the procedure to develop and submit a firm quote to Rex for the finalisation and execution of EPC and Financing Terms Sheets.

OUTLOOK

Rex has submitted Mining Lease approval documentation to the SA government and will look to finalise this over the coming quarter. Additionally, Rex will continue negotiations in regard to the balance of funding required to develop Hillside, while advancing the formal terms for a full turnkey fixed lump sum EPC Contract. Finally, Rex will look to conclude the Hillside BFS.

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PROJECTS

Hillside Project - Updated Mineral Resource and Ore Reserve

Rex announced an updated Mineral Resource and Ore Reserve during the quarter (28 June 2013). The updated Mineral Resource reconfirmed Hillside on the Yorke Peninsula, South Australia as Australia's largest open pit copper project. Additionally, the first 12 years of production were announced as Ore Reserves providing further confidence in the detailed mine plan and further support for the completion of debt funding negotiations.

The Ore Reserve, reported in accordance with the 2012 JORC Code, released during the quarter stands at 180Mt @ 0.52% copper, 0.13g/t gold and 14.4% iron for contained metal of 936,000 tonnes of copper, 752,300 ounces of gold and 25,700,000 tonnes of iron ore. This equates to a copper equivalent (CuEq)[2] grade of 0.8%. The Mineral Resource estimate, reported in accordance with the 2012 JORC Code, released during the quarter consists of 337Mt @ 0.6% copper, 0.14g/t gold and 15.7% iron, for a copper equivalent (CuEq)[2] grade of 0.9%. This equates to a total of 2Mt of copper, 1.5Mozs of gold and 54Mt of iron ore[2]. These estimates were independently audited by AMC.

Table 1: Hillside Ore Reserve – June 2013

Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Iron (%)	Contained Copper (t)	Contained Gold (oz)	Contained Iron ore (t)
Proved	65	0.47	0.15	15.4	304,560	312,505	10,180,342
Probable	115	0.55	0.12	13.9	632,500	443,680	15,637,388
Total	**180**	**0.52**	**0.13**	**14.4**	**936,000**	**752,327**	**25,743,517**

This marks the second Ore Reserve update in 2013 for Rex, and importantly, this new Ore Reserve for the first time includes a Proved Ore Reserve. A Proved Ore Reserve represents the highest confidence category of Reserve estimates and implies a high degree of confidence in geological and grade continuity and the modifying factors. At Hillside, the Proved Ore Reserve of 65Mt represents the economically mineable part of the Measured Mineral Resource.

The Measured Mineral Resource of 73Mt at Hillside represents the culmination of a significant infill drilling program. This result highlights the quality of the geological interpretation and modelling at Hillside and places Rex in a strong position to progress towards becoming a copper developer and producer.

Further optimisation work based on the updated Mineral Resource has shown potential for the planned Open Pit mine to expand beyond its current 12 year life. In addition, earlier work completed and announced previously as part of the Hillside Pre-Feasibility Study (announced 31 October 2012) has shown potential for underground mining methods to supplement the supply of ore from the open pit in the later years of production at Hillside. Consequently, there remains significant potential for further extensions and enhancements to the Ore Reserve at Hillside beyond the announced 12 year open pit Ore Reserve.

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Table 2: Hillside Measured, Indicated and Inferred Mineral Resource Summary Table – June 2013

Zone	Resource Category	Tonnes (Mt)	Copper (%)	Gold (g/t)	Iron (%)	Contained Copper (t)	Contained Gold (oz)	Contained Iron ore (t)
Oxide Copper	Measured	16	0.55	0.23	16.69	88,000	118,315	2,804,369
	Indicated	4	0.49	0.13	14.30	19,600	16,718	566,444
	Inferred	0.2	0.6	0.2	14.6	1,200	1,286	29,167
Secondary Sulphide	Measured	9	0.60	0.20	18.13	54,000	57,871	1,759,993
	Indicated	3	0.58	0.13	14.90	17,400	12,539	450,185
	Inferred	0.1	0.6	0.1	7.9	600	322	5,147
Primary Sulphide	Measured	48	0.53	0.17	16.95	254,400	262,350	8,588,882
	Indicated	144	0.60	0.13	15.25	864,000	601,862	22,318,757
	Inferred	113	0.6	0.1	15.6	678,000	363,303	18,071,067
Total		**337**	**0.6**	**0.14**	**15.7**	**2,022,000**	**1,516,872**	**54,368,007**

Copper Resources reported above 0.2% cut-off grade.
Measured and Indicated Resources are rounded to two significant figures and Inferred Resources are rounded to one significant figure.

Hillside Project - Updated Production Plan for Hillside

Rex completed an updated production schedule during the quarter (refer to ASX Release dated 1 July 2013). This schedule defined an estimated $2.5bn in after-tax cash flows[1] for the first 10 years of production and built on the updated 12 year Ore Reserve base. The updated plan highlighted an annual production profile of over 75kt copper and 60kozs gold in concentrate and over 1.2Mt of iron ore within a separate concentrate for the first 10 years of mine life. Importantly, this delivers >110,000t of copper equivalent[2] production per annum.

The new schedule contemplated for the development of Hillside will begin commissioning in late 2015 with full production capacity available in 2016. The production grades delivered to the processing plant have increased to allow for a higher level of average production over the first 10 years of the mine life.

As a result of the improved production profile, estimated cash flows have also improved[1]. The potential cash flows generated from the updated production profile form the basis for ongoing discussions with a number of potential partners to help deliver the balance of the funding required for the development of Hillside. Additionally, continued scope exists for growth beyond the 12 year open pit Ore Reserve.

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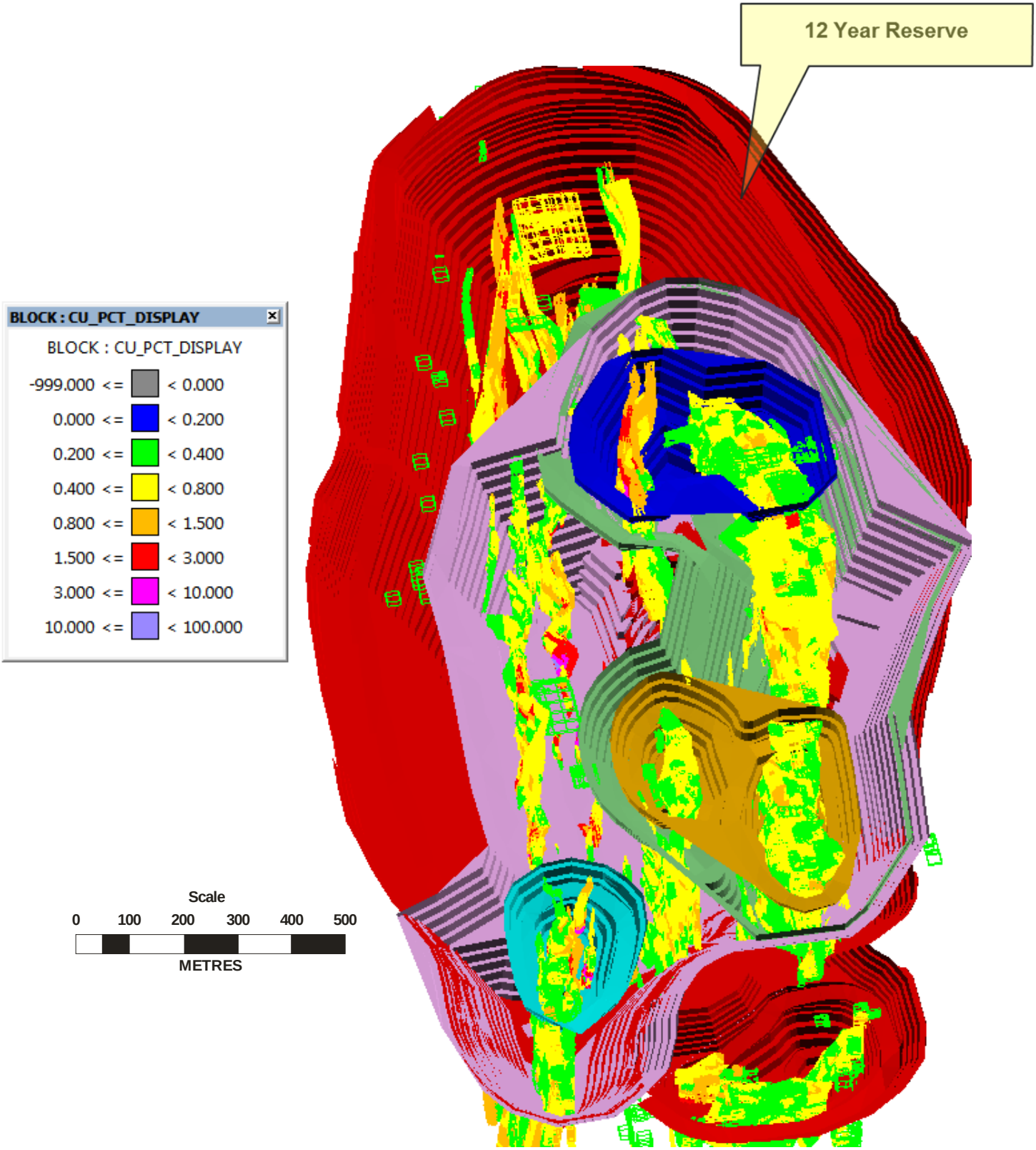

Figure 1: *Hillside 12 Year Ore Reserve Pit Design with PFS interim pit shells and June 13 block model showing copper grades > 0.2%.*

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Hillside Project - Mineral Processing

During the quarter, Rex completed test work that improved copper recoveries (announced 22 July 2013). The improved copper recoveries were the direct result of pilot plant test work completed as part of the Hillside BFS and highlighted the significant advances made in regard to mineral processing.

Rex completed test work on samples that were taken throughout all the mineralised domains at Hillside and ensured that these samples represented the first 5 years of production. The samples were collected using large diameter drill core sampling, and a total of 8 tonnes were processed using processing methods that have been designed to represent the processing plant at Hillside. The test work was carried out at ALS Ammtec in Perth and managed by AMEC Australia and was deemed to be the final work associated with locking in the processing plant scope, design and key input/output parameters for the Hillside processing plant. The test work also produced samples of the copper-gold and iron ore concentrate streams for review and analysis by a range of parties who are currently in discussions with Rex aimed at fully funding the project beyond the indicative debt.

The pilot plant test work has shown that copper grade in concentrate to average 23% and that there has been a further improvement in expected copper recovery. Copper recovery has increased from 88% to 91%. The pilot plant test work also confirmed the production of a high grade low impurity magnetite concentrate (>68% Fe).

Conducting a large scale pilot test program is not currently common practice in mineral processing evaluations, especially in relation to copper sulphide deposits. However, Rex considered that this level of rigor in ensuring that the processing plant can perform as designed was an important step in further de-risking Hillside. Furthermore, this pilot plant test work has now tested all major flowsheet items (including metallurgical variations) at the pilot scale.

The processing of 8 tonnes of mill feed provided Rex with;

- Large and representative samples of final concentrates for potential off-take partners
- Samples that will allow vendors to warrant equipment selected for those steps that involve the treatment of concentrates.

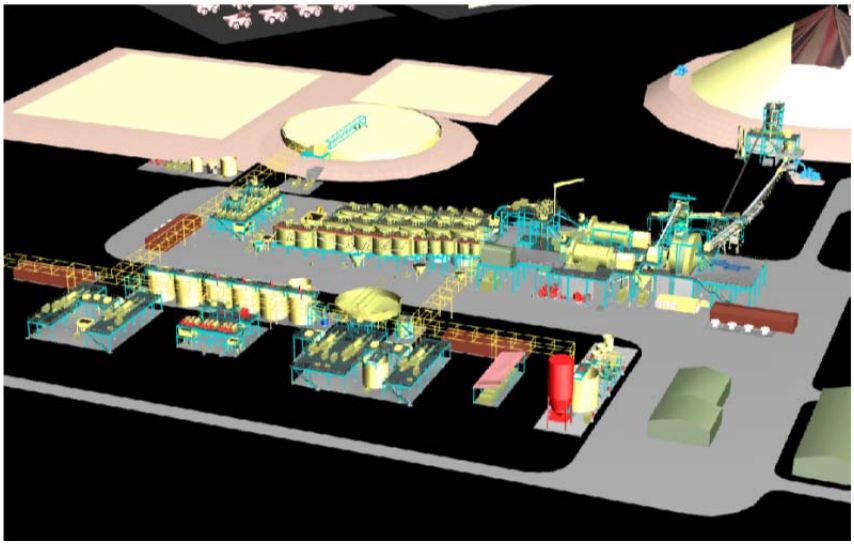

Figure 2: Proposed Processing Plant for the Hillside project.

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Pine Point Copper Belt (Yorke Peninsula, South Australia) – Regional Targets

Regional exploration work during the quarter focussed on the analysis of a regional soil and historical calcrete sampling data designed to provide an initial evaluation of several priority target areas, including the historical Yorke Valley copper mine and a series of newly identified targets. The results identified several discrete zones of elevated copper mineralisation (including an anomaly around the Yorke Valley copper mine), requiring further investigation and follow-up over the coming 12 months. At present, at least 5 high priority targets exist within a 40km radius of Hillside with a further 45 requiring further reconnaissance work before being elevated to high priority status.

Importantly, Rex has recognised that even though the Hillside deposit is underneath less than 20m of cover rocks, the soil and broader geochemical sampling at Hillside has shown that the deposit clearly shows up. Accordingly, Rex believes that a rigorous regional geochemical sampling program, in conjunction with geophysics, could provide a useful vector for potentially undiscovered copper mineralisation. Furthermore, the Yorke Peninsula contains a number of historical copper mines and these are also important vectors for copper mineralisation.

One stand-out in this regard is a target called Westbrook which lies to the NW of Hillside. Westbrook exhibits a strong calcrete anomaly which when compared to the Hillside soil anomaly is larger in amplitude. (Figure 3). Rex intends to follow-up the Westbrook target over the coming 6 – 12 months.

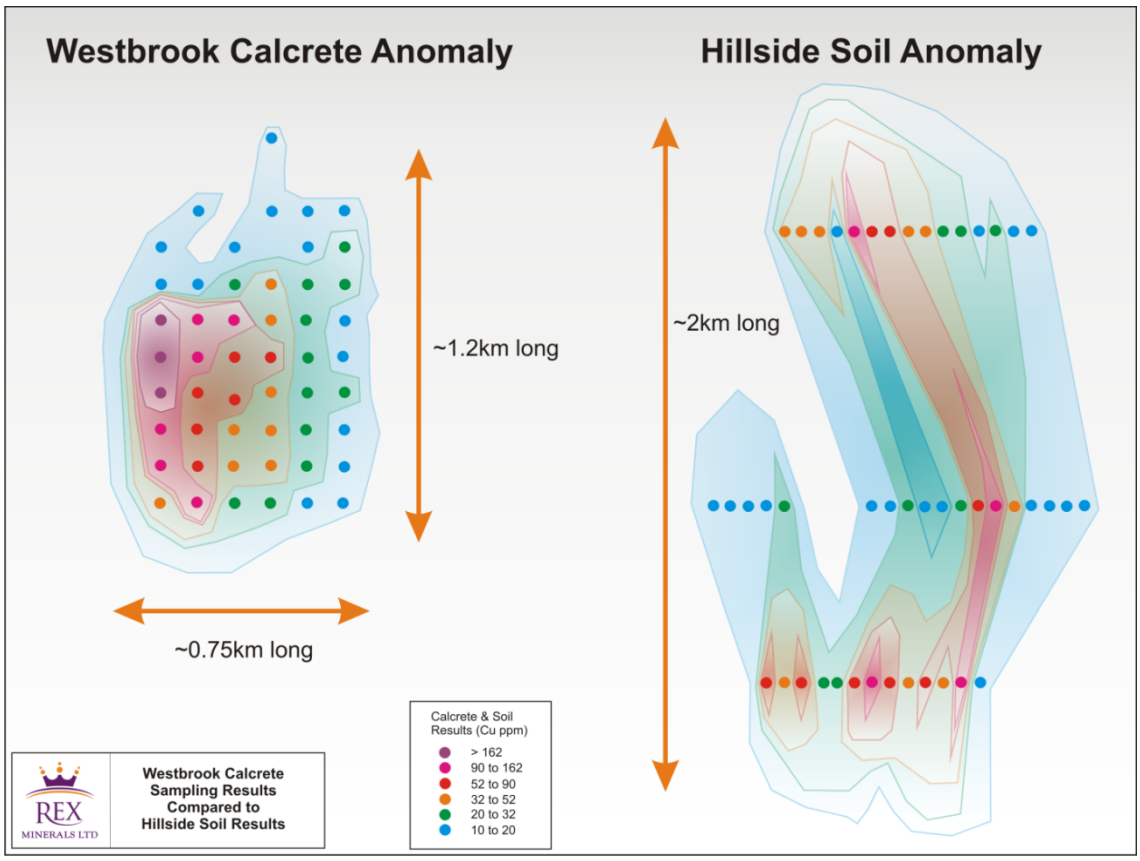

Figure 3: Westbrook Calcrete sampling results compared to Hillside soil results

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CORPORATE

The cash balance as at 30 June 2013 was $24.8m. Rex lodged its 2012 income tax return with the Australian Taxation Office during the quarter which included an R&D claim of approximately $3m and this refund which was received on 1 July 2013 and is **not** included in 30 June 2013 cash balance. Following completion of the updated Ore Reserve, all drilling is scheduled to finish at the end of July 2013. The focus of operational expenditure will be on the completion of the BFS that is due for finalisation in the September 2013 quarter. In addition, the Ballarat office will close at the end of September 2013, leaving Rex based in Adelaide. Cash outflows will be reduced accordingly until the balance of funding is secured, anticipated to be by the end of 2013.

Rex signed an EPC and financing MOU for Hillside during the quarter (announced 4 June 2013). The MOU was signed with NFC and Arccon (WA) Pty Ltd ("Arccon") for financing, construction and development of Hillside.

Subsequent to the signing of the MOU, the Australian engineering group Allmine, the parent company of Arccon was placed into administration. Rex and NFC, have a number of alternative Australian based sub-contractors and NFC is currently holding discussions with these parties. Importantly, the deadlines and objectives of the MOU announced on 4 June 2013 have not changed. That is, the MOU outlines the framework for cooperation to establish the cost and program for delivery of the Hillside Project while the current BFS is being completed. Rex, NFC and NFC's Australian construction company intend to enter into formal agreements for a full turnkey fixed lump sum EPC contract.

The MOU also details the framework for the financing term sheet which states that NFC will facilitate the debt funding of the project development costs through major Chinese banks, such as China Minsheng Banking Corp., Ltd and others, based on 70% of the EPC contract turnkey cost, with an indicative amount of US$550m.

With the MOU signed, the indicative project timetable envisages commencement of construction at Hillside in early calendar 2014 following signing of the EPC contract and finalising financing. Rex is targeting the end of 2013 for these items to be concluded. In addition, Rex has advanced discussions with multiple parties to provide for the balance of the required capital.

ACTIVITIES PLANNED FOR NEXT QUARTER AND KEY MILESTONES FOR 2013

Funding discussions: Funding discussions are well advanced. Documentation for the EPC contract is completed and will be reviewed by NFC over the coming quarter in addition to a detailed design by NFC. Further work will continue to finalise the term sheet for the bank facility. Rex will continue to progress discussions and negotiations with potential funding partners to provide for the balance of the required capital. These options may include iron ore off take partners and copper/gold off take partners.

Bankable Feasibility Study: Rex will finalise the pilot plant test work to lock in the expected feed for Hillside. All geology and resource related requirements have already been met, whilst further optimisation of the mine plan will be finalised.

Mining Approvals: Approvals associated with the Miscellaneous Purposes Licence (MPL) and Mining Lease (ML) will be issued for public comment over the next month and final approvals are anticipated in the December 2013 quarter.

Pine Point Copper Belt: A detailed review of all historical data within Rex's tenement package will be undertaken, with a specific focus on historical geochemical data given the exceptional results received from Westbrook. Focus will continue to be on land access negotiations, including a number of key target areas important to the overall exploration strategy on the Yorke Peninsula.

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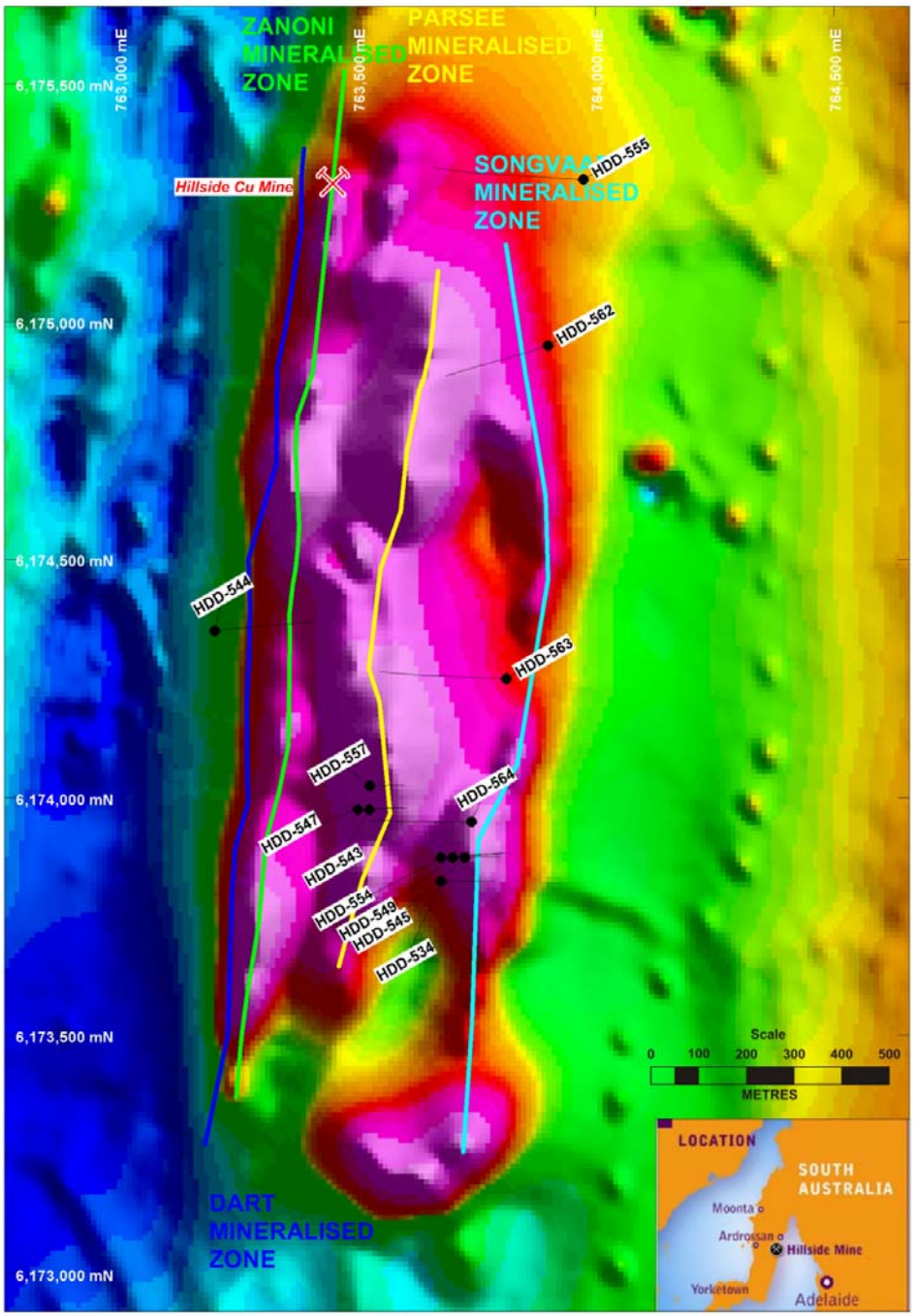

Figure 4: *Magnetic map of Hillside, showing the location of recent drilling. Drill results detailed in Table 3.*

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Table 3: *Summarised drilling highlights from results received at Hillside during the June quarter.*

HOLE ID	FROM (m)	TO (m)	INTERVAL (m)	Cu (%)	Au (g/t)	Fe (%)	CuEq (%)	Structure
HDD-534	**145**	**174**	**29**	**1.0**	**0.1**	**27**	**1.4**	**Songvaar (p)**
including	*159*	*165*	*6*	*2.0*	*0.1*	*35*	*2.5*	*Songvaar (p)*
HDD-543	**106**	**156**	**50**	**1.1**	**1.2**	**21**	**2.0**	**Parsee (p)**
including	*140*	*155*	*15*	*2.7*	*3.3*	*22*	*4.7*	*Parsee (p)*
HDD-544	**327**	**339**	**12**	**1.7**	**0.9**	**15**	**2.4**	**Zanoni (p)**
HDD-545	**15**	**67**	**52**	**1.2**	**0.4**	**26**	**1.7**	**Songvaar (s)**
including	*39*	*48*	*9*	*2.0*	*0.4*	*39*	*2.7*	*Songvaar (s)*
	117	**136**	**19**	**1.1**	**0.4**	**37**	**1.8**	**Songvaar (p)**
including	*130*	*134*	*4*	*2.2*	*0.4*	*33*	*2.8*	*Songvaar (p)*
HDD-547	**142**	**149**	**7**	**1.4**	**0.6**	**20**	**2.0**	**Parsee (p)**
HDD-549	**129**	**185**	**56**	**0.8**	**0.2**	**25**	**1.2**	**Songvaar (p)**
including	*129*	*142*	*13*	*1.2*	*0.4*	*30*	*1.8*	*Songvaar (p)*
	153	*164*	*11*	*1.1*	*0.2*	*21*	*1.5*	*Songvaar (p)*
HDD-554	**202**	**218**	**16**	**1.0**	**0.3**	**29**	**1.5**	**Songvaar (p)**
HDD-555	**677**	**728**	**51**	**0.6**	**-**	**20**	**0.9**	**Omero (p)**
including	*702*	*706*	*5*	*1.1*	*0.2*	*27*	*1.6*	*Omero (p)*
	716	*721*	*5*	*1.1*	*-*	*42*	*1.6*	*Omero (p)*
HDD-557	**28**	**35**	**7**	**-**	**1**	**9**	**0.6**	**Parsee (s)**
HDD-562	**221**	**269**	**48**	**0.8**	**0.2**	**18**	**1.1**	**Songvaar (p)**
including	*248*	*265*	*17*	*1.2*	*0.2*	*21*	*1.6*	*Songvaar (p)*
HDD-563	**334**	**363**	**29**	**1.1**	**0.1**	**14**	**1.3**	**Parsee (p)**
including	*339*	*343*	*4*	*2.9*	*0.1*	*23*	*3.3*	*Parsee (p)*
	352	*358*	*6*	*1.9*	*0.1*	*16*	*2.2*	*Parsee (p)*
HDD-564	**292**	**301**	**9**	**0.8**	**0.4**	**21**	**1.3**	**Parsee (p)**
	311	**322**	**11**	**1.0**	**0.5**	**23**	**1.6**	**Parsee (p)**

(p) = Primary Mineralisation (s) = Supergene Mineralisation * All intercepts reported are down hole unless otherwise specified

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Notes to the announcement

[1] The results contained within this announcement from the Hillside PFS contain "forward-looking statements". All statements other than those of historical facts included in this announcement are forward-looking statements. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. However, forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Such risks include, but are not limited to, copper and other metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks and governmental regulation and judicial outcomes. The Company does not undertake any obligation to release publicly any revisions to any "forward-looking statement".

[2] CuEq Grade -Commodity Prices and Recoveries:

- Copper price used = 3.00 US$/lb
- Gold price used = 1250 US$/ounce
- Iron ore price used = 100 US$/tonne:
  - US$100 equates to the industry benchmark at 62% iron
  - Plus US$25 premium for a concentrate grade of 67% at Hillside
- Testing has confirmed conventional processing options.
- Total Cu grade is used in the CuEq calculation
- Gold recoveries estimated at 84%
- Iron ore recoveries estimated at 43%
- Iron ore concentrate grade = 67%
- It is the Company's opinion that all elements included in the metal equivalents calculation have a reasonable potential to be recovered.
- Formula for calculating copper equivalent = 1 + 2 + 3
  1) Copper Grade = Cu
  2) Copper Equivalent grade for Au = (Au/10000)*((1250/0.06857142)/3.00)*84%
  3) Copper Equivalent grade for Iron Ore = ((Fe*43%)/67%)*((125/2204.623)/3.00)
     *0.06857142 = conversion from oz's to lb's
     *2204.623 = conversion from tonnes to lb's

Competent Persons' Report – Ore Reserves

The information in this report that relates to Ore Reserves is based on information compiled by Mr Colin McVie and Mr Ben Brown who are Members of the Australasian Institute of Mining and Metallurgy and are full time employees of Mining Plus Pty Ltd. Mr McVie and Mr Brown have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McVie and Mr Brown consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Competent Persons' Report– Mineral Resources

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Patrick Say who is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of Rex Minerals Ltd. Mr Say has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Say consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Rule 5.3

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

REX MINERALS LTD

ABN

12 124 960 523

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(9,114)	(38,443)
	(b) development		
	(c) production		
	(d) administration	(883)	(4,234)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	538	1,786
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	Net Operating Cash Flows	(9,459)	(40,891)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	(39)	(413)
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets	7	7
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (SA Water contract contribution – ASX Release 4 Oct 2012)	-	(3,630)
	Net investing cash flows	(32)	(4,036)
1.13	Total operating and investing cash flows (carried forward)	(9,491)	(44,927)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(12,200)	(35,436)
	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 (provide details if material)		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(9,491)	(44,927)
1.20	Cash at beginning of quarter/year to date	34,307	69,743
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	24,816	24,816

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	332
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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

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

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation including Feasibility studies	4,094
4.2	Development	
4.3	Production	
4.4	Administration (net of tax credit $3.1m received July 2013)	(1,265)
	Total	**2,829**

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	24,816	17,307
5.2	Deposits at call		
5.3	Bank overdraft		
5.4	Other (Term Deposits)	-	17,000
	Total: cash at end of quarter (item 1.22)	24,816	34,307

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	Mineral Claim 4346		0%	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** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	188,907,284	188,907,284		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-
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)*	840,000 1,200,000 3,000,000	- - -	*Exercise price* $3.00 $1.20 $0.91	*Expiry date* 30/4/2014 30/4/2015 31/8/2017
7.8	Issued during quarter	-	-	-	
7.9	Exercised during quarter	-	-	-	
7.10	Expired during quarter	528,000 240,000 280,000	-	$1.222 $3.00 $1.20	24/5/2013 30/4/2014 30/4/2015

+ See chapter 19 for defined terms.

7.11	**Debentures** *(totals only)*		
7.12	**Unsecured notes** *(totals only)*		

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: Date: 29 July 2013
(Company secretary)

Print name: Amber Rivamonte

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.