

20 April 2012

**QUARTERLY REPORT FOR THE PERIOD ENDING  
MARCH 31, 2012**

Syndicated Metals Limited (ASX:SMD) holds a 4,000km<sup>2</sup> tenement package in the Mount Isa region of north-west Queensland. During the March 2012 Quarter, the Company announced significant Board and Management changes and is now reviewing its exploration and development strategy to deliver maximum value to shareholders. Syndicated's tenements are highly prospective for the copper-gold, molybdenum-rhenium and copper-lead-zinc-silver styles of mineralisation characteristic of the Mount Isa region.

**Quarter Highlights**

- Experienced mining executives Peter Langworthy, Andrew Munckton and David Morgan join the Board to spearhead Syndicated's next phase of growth and development.
- First task to be undertaken by new management team will be to review outcomes of the recently concluded strategic review of the Company and develop a program for progressing and adding value to the Company's mineral assets.
- Meeting of Shareholders called for 24 May 2012 to consider:
  - \$1.0 million share placement to strategic resource investors, including the new Directors.
  - Results of the strategic review of Syndicated's assets.
- Baseline environmental studies and surveys in progress at Barbara and Kalman Projects.
- Completion of Share Placement to Institutional and Sophisticated Investors, raising \$349,355 at 8.5c per share, and Share Purchase Plan to eligible existing shareholders, raising a further \$300,000 at 8.5 cents per share.
- Cash position at quarter's end totalled \$1.879 million

**BOARD OF DIRECTORS****Peter Langworthy**

Chairman

**Andrew Munckton**

Managing Director

**David Morgan**

Operations Director

**Bruce McCullagh**

Non-Executive Director

**Jan Hope**

Non-Executive Director

**Ki Deok (KD) Park**

Non-Executive Director

**CORPORATE****ABN** 61 115 768 986**Market Capitalisation**

(20/4/2012)

\$13.5 million (at 11.0c per share)

**Issued Capital** (20/4/2012) 123.0

million ordinary shares

22 million unlisted options

**Cash** (31/3/2012): \$1.9million**CONTACT DETAILS****Principal & Registered Office**

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**Email**[info@syndicatedmetals.com.au](mailto:info@syndicatedmetals.com.au)**Website**[www.syndicatedmetals.com.au](http://www.syndicatedmetals.com.au)**Postal Address**

GPO Box 2810 Perth WA 6000

**ASX CODE: SMD**

**Syndicated Metals** controls one of the largest landholdings in Queensland's Mount Isa mining province. Its tenements contain two advanced exploration projects - the Kalman and Barbara Projects - both of which have development potential. Surrounding these two projects is a large number of exploration targets which are indicative of the highly prospective nature of the ground holding. Syndicated currently holds a combined estimated resource inventory (on a 100% owned basis) of 270,000t of copper, 30,000t of molybdenum, 2.3 million ounces of rhenium and 320,000 ounces of gold.

### **Strategic Review**

Following the appointment of the new Directors on 20 March 2012, Syndicated's Board and Management commenced a strategic review of the Company's assets. This review is expected to take approximately six weeks to complete and is scheduled to be finalised in early May 2012. The scope of the review is broad and includes:

- Tenement holdings and land access agreements
- Joint Venture earn-in arrangements
- Resource and Reserve validation
- Exploration activity and prospectivity
- Potential for operating activities
- Statutory compliance issues.

The review will help the Board and Management develop a program for progressing and adding value to the Company's mineral assets, and provide key recommendations as to the future direction of the Company.

While the review is underway, exploration work at the Company's projects has been placed on hold and a small number of well-respected industry contractors and consultants have been engaged to assist with a review of the exploration and resource evaluation work completed to date.

Site visits by the Board to the two principal project areas at Kalman (copper-gold-molybdenum-rhenium) and Mount Remarkable (copper-gold) have been completed. Proposed follow-up visits to the outlying projects at Carpentaria (zinc-lead-copper-silver) and Georgina (phosphate) have also been scheduled.



**Figure 1: Drilling at Kalman 2011**

### Kalman Project

The Kalman Project contains a Mineral Resource estimate of **60.8 million tonnes at 0.11% Mo, 0.26% Cu, 2.78ppm Re and 0.13ppm Au**. The Kalman Mineral Resource spans two tenements which are owned as part of the Kalman Joint Venture with Cerro Resources Limited. (Refer to Appendix 1 for details of the Mineral Resources.)

The project also contains the Pandora's Gift, Andy's Hill, Overlander and Dronfield prospects which have only received a small amount of exploration activity to date, and show excellent potential for mineralisation based on geophysical, rock chip and soil geochemical surveys.

It is considered that the mineralised fault zone adjacent to the Pindora, Pilgrim and Fountain Range Faults (refer Figure 2) holds substantial potential to yield both shallow copper-gold mineralisation to augment resources at the nearby Kalman deposit, as well as being prospective for major discoveries of sulphide mineralisation at depth.

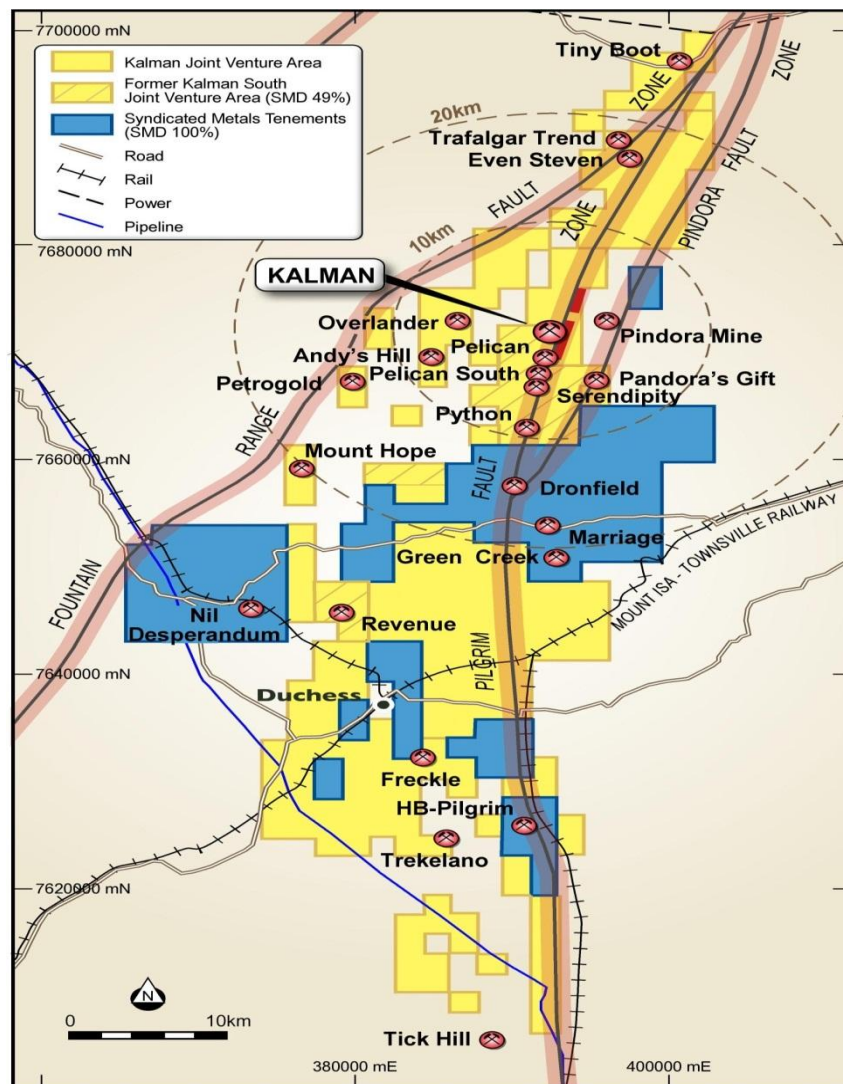


Figure 2: Kalman Project Area

During the Quarter Syndicated reported results from exploration activities carried out during the December 2011 Quarter, including a 10 hole RC drilling program and a program of rock chip sampling along the Pindora Fault and at Manganese Ridge.

Highlights of these results include

- **22 metres at 0.84% Cu and 1.31g/t Au from 37 metres in K-127**
- **6 metres at 0.24% mo and 4.78g/t Re from 74 metres in K-124**

Details of these results are outlined in Appendix 2. The results will be assessed as part of the Company's ongoing strategic asset review.

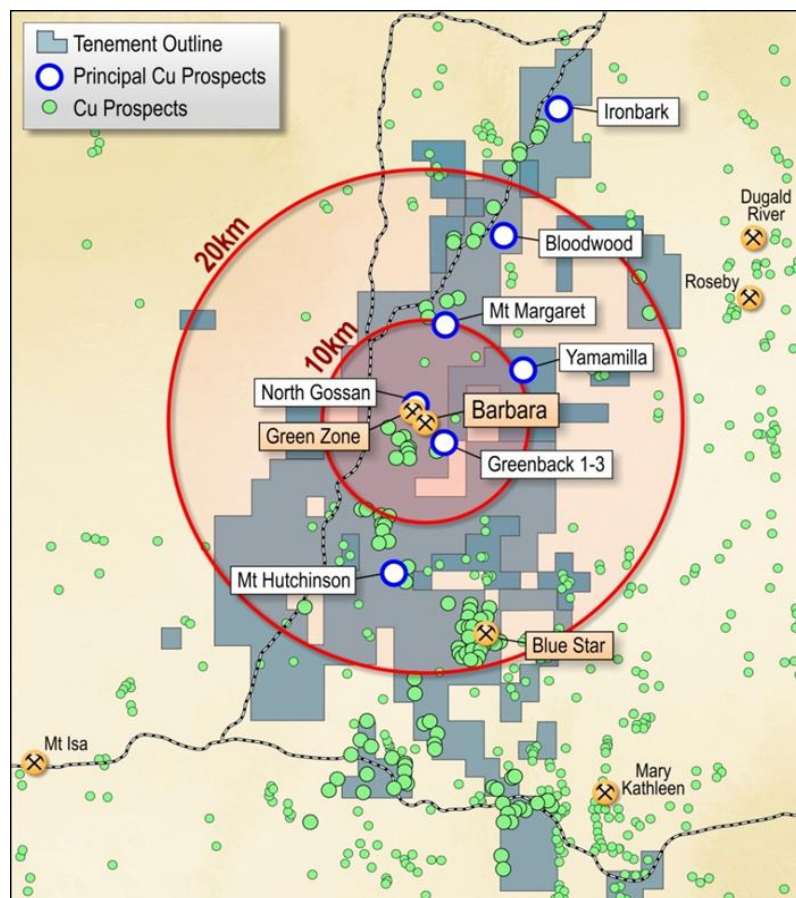
### ***Mount Remarkable Project***

The Mount Remarkable Project contains a Mineral Resource estimate of **5.9 million tonnes at 1.4% Cu and 0.14g/t Au** at the Barbara deposit, which is located approximately 40 kilometres northeast of Mount Isa.

All the tenements in the project area are 100% owned by Syndicated, with the exception of two joint venture areas - namely the West Leichhardt Joint Venture with Mount Isa Metals Limited and the Yamamilla Joint Venture with Deep Yellow Limited. *(Refer to Appendix 1 for details of the Mineral Resources.)*

The project also contains a large number of exploration targets as illustrated in Figure 3, with a number of these having received initial exploration work including Blue Star and Green Zone which have estimated Mineral Resources. Key targets for review include the copper-gold targets at Yamamilla, Mt Margaret, Bloodwood, Ironbark and Mt Hutchison.





**Figure 3: Mount Remarkable Project**

## **Corporate**

### **Board & Management Restructure**

During the Quarter, Syndicated announced the appointment of three highly regarded mining executives to its Board to spearhead the Company's next stage of growth and development.

The new appointments include experienced geologist and former Jubilee Mines NL Executive General Manager – Exploration, Peter Langworthy, as Non-executive Chairman, former Gindalbie Metals Ltd and Avalon Minerals Ltd executive, Andrew Munckton, as Managing Director and former Gindalbie Metals Ltd, Rio Tinto Ltd, Equigold NL and Sundance Resources Ltd executive, David Morgan, as Operations Director.

In conjunction with these appointments, Syndicated's founding Managing Director, Mr Russell Davis, retired from the Syndicated Board to enable the installation of a team with the project development skills to take the company to its next level of growth.

Jan Hope and KD Park will remain on the Board as Non-Executive Directors. Mr Bruce McCullagh will remain as Syndicated's Company Secretary but will retire as a Director after a suitable hand-over period.

### **Proposed Strategic Share Placement**

In conjunction with the Board and Management changes outlined above, Syndicated also announced plans, subject to shareholder approval, to undertake a share placement to a group of strategic resource investors to support the Company's ongoing exploration activities in North Queensland (Placement).

Under the Placement, Syndicated will issue 13,485,881 Shares to sophisticated and professional investors (New Shares) at an issue price of 7.4 cents per New Share to raise \$997,955. The New Shares will be fully paid ordinary shares in the capital of the Company and rank pari passu with existing ordinary shares.

Subject to shareholder approval, Mr Langworthy, Mr Munckton and Mr Morgan will participate in the Placement.

Subsequent to the end of the Quarter, the Company advised that a general meeting of shareholders would be held on 24 May 2012. A Notice of General Meeting, including an Explanatory Memorandum and Proxy Form, will be posted to shareholders at their registered address.

### **Funding**

During the Quarter, the Company raised a total of \$649,355 from two funding initiatives:

- Approximately \$349,355 was received during the Quarter from a share placement to Institutional and Sophisticated Investors announced in February 2012. The share placement was at 8.5c per share.
- A Share Purchase Plan to eligible existing shareholders raised \$300,000 at 8.5 cents per share.

Syndicated's cash balance at the end of March 2012 was \$1.879 million.

For further information on the Company view our website at [www.syndicatedmetals.com.au](http://www.syndicatedmetals.com.au) or contact:

**Andrew Munckton**  
**Managing Director**

**T: +61 8 9380 9440**

### **Competent Person's Statement**

The information in this report that relates to Exploration Results or Mineral Resources is based on information reviewed by Mr Andrew Munckton who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as 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 Munckton is a full-time employee of Syndicated Metals Limited and consents to the inclusion in the report of the Exploration Results and Mineral Resources in the form and context in which they appear.

## Appendix 1

### Mount Isa District Mineral Resources Summary

**Table 1: Mount Remarkable Project Mineral Resource Summary**

| Deposit and Tenement | Category  | Tonnes    | Cu<br>% | Au<br>g/t | Ag<br>g/t | Co<br>ppm | Contained Metal |        |         |        |
|----------------------|-----------|-----------|---------|-----------|-----------|-----------|-----------------|--------|---------|--------|
|                      |           |           |         |           |           |           | Cu              | Au     | Ag      | Co     |
|                      |           |           |         |           |           |           | tonnes          | ounces | ounces  | tonnes |
| BARBARA DEPOSIT      |           |           |         |           |           |           |                 |        |         |        |
| EPM15564 (100% SMD)  | Indicated | 2,977,000 | 1.6     | 0.2       | 2.7       | 270       |                 |        |         |        |
|                      | Inferred  | 362,000   | 1.3     | 0.1       | 2.4       | 296       |                 |        |         |        |
|                      |           | 3,339,000 | 1.6     | 0.2       | 2.7       | 272       | 52,000          | 16,000 | 286,000 | 900    |
| EPM16112 (51% SMD)   | Indicated | 801,000   | 1.4     | 0.1       | 2.7       | 247       |                 |        |         |        |
|                      | Inferred  | 1,191,000 | 1.0     | 0.1       | 1.9       | 265       |                 |        |         |        |
|                      |           | 1,992,000 | 1.2     | 0.1       | 2.2       | 258       | 24,000          | 8,000  | 143,000 | 500    |
| Barbara Total        |           | 5,331,000 | 1.4     | 0.1       | 2.5       | 267       | 76,000          | 25,000 | 430,000 | 1,400  |
|                      |           |           |         |           |           |           |                 |        |         |        |
| BLUE STAR DEPOSIT    |           |           |         |           |           |           |                 |        |         |        |
| EPM16197 (51% SMD)   | Inferred  | 177,000   | 2.3     | 0.3       | -         | -         | 4,000           | 1,500  | -       | -      |
|                      |           |           |         |           |           |           |                 |        |         |        |
| GREEN ZONE DEPOSIT   |           |           |         |           |           |           |                 |        |         |        |
| EPM16112 (51% SMD)   | Inferred  | 430,000   | 0.9     | 0.01      | -         | -         | 4,000           | 200    | -       | -      |
| TOTAL                |           | 5,938,000 | 1.4     | 0.14      | -         | -         | 84,000          | 27,000 | -       | -      |

1. See previous ASX releases for details of Mineral Resource estimation methodology and attributions
2. Mineral Resources reported above a 0.5% copper lower cut-off
3. Both tonnage and grade values have been rounded, therefore the table may contain rounding errors.
4. Silver and cobalt not reported for Green Zone and Blue Star Deposits.

**Table 2: Kalman Joint Venture Inferred Mineral Resource Estimate**

| Domain | Cut-off<br>Grade | Tonnes<br>(million) | Mo<br>% | Re<br>g/t | Cu<br>% | Au<br>g/t | Contained Metal |    |    |    |
|--------|------------------|---------------------|---------|-----------|---------|-----------|-----------------|----|----|----|
|        |                  |                     |         |           |         |           | Mo              | Re | Cu | Au |

|                                      |          |             |             |             |             |             | tonnes        | ounces           | tonnes         | ounces         |
|--------------------------------------|----------|-------------|-------------|-------------|-------------|-------------|---------------|------------------|----------------|----------------|
| <b>Copper Zone</b>                   |          |             |             |             |             |             |               |                  |                |                |
| EPM14232                             | 0.2% Cu  | 36.7        | 0.06        | 1.46        | 0.31        | 0.15        | 20,400        | 1,717,000        | 112,300        | 173,000        |
| EPM13870                             | 0.2% Cu  | 24.1        | 0.04        | 0.79        | 0.34        | 0.16        | 10,000        | 609,200          | 82,400         | 121,900        |
| <b>Total copper zone</b>             |          | <b>60.8</b> | <b>0.05</b> | <b>1.19</b> | <b>0.32</b> | <b>0.15</b> | <b>30,400</b> | <b>2,326,200</b> | <b>194,700</b> | <b>294,900</b> |
| <b>Including the Molybdenum Zone</b> |          |             |             |             |             |             |               |                  |                |                |
| EPM14232                             | 0.02% Mo | 17.5        | 0.11        | 2.88        | 0.22        | 0.11        | 18,400        | 1,632,700        | 38,700         | 61,400         |
| EPM13870                             | 0.02% Mo | 7.4         | 0.12        | 2.56        | 0.34        | 0.17        | 8,900         | 609,200          | 25,300         | 40,800         |
| <b>Total molybdenum zone</b>         |          | <b>24.9</b> | <b>0.11</b> | <b>2.78</b> | <b>0.26</b> | <b>0.13</b> | <b>27,300</b> | <b>2,241,900</b> | <b>64,000</b>  | <b>102,200</b> |

1. Source: Kings Minerals NL 2010 Annual Report - Refer to ASX release by Kings Minerals NL now Cerro Resources NL (ASX: CJO) dated September 10, 2008 for full details of Mineral Resource Estimate
2. SMD can earn up to an 80% interest from CJO in EPM14232. SMD holds a 49% interest and 2% NSR in EPM13870 and can earn up to an 80% interest from CJO.
3. Both tonnage and grade values have been rounded, therefore the table may contain rounding errors.



## Appendix 2

### Kalman RC Drilling Results Summary

**Table 1: Kalman RC Drilling Results (K-121 to K-130) at a 0.5% Cu & 500ppm Mo cut-off**

| Hole Number         | From m                 | To m | Length m | Cu % | Au g/t | Ag g/t | Mo ppm | Re g/t | Cueq* % |
|---------------------|------------------------|------|----------|------|--------|--------|--------|--------|---------|
| K-121               | 162                    | 166  | 4        | 0.60 | 0.32   | <1     | 600    | ap     | 1.0     |
|                     | 180                    | 189  | 9        | 0.55 | 0.49   | <1     | 951    | ap     | 1.17    |
|                     | 185                    | 196  | 11       | 0.21 | 0.33   | <1     | 2050   | ap     | 1.16    |
| K-122               | 150                    | 151  | 1        | 0.41 | 0.32   | <1     | 3720   | ap     | 1.98    |
|                     | 180                    | 182  | 2        | 0.22 | 0.16   | <1     | 1316   | ap     | 0.80    |
|                     | 182                    | 185  | 3        | 0.81 | 0.31   | <1     | 86     | ap     | 0.98    |
| K-123               | 57                     | 63   | 6        | 0.13 | 0.16   | 2.8    | 2892   | 2.9    | 1.4     |
|                     | 84                     | 94   | 10       | 0.68 | 0.35   | <1     | 14     | ap     | 0.88    |
|                     | 133                    | 139  | 6        | 0.50 | 0.12   | <1     | 2      | ap     | 0.57    |
| K-124               | 73                     | 79   | 6        | <0.1 | <0.01  | 4.4    | 2396   | 4.7    | 1.11    |
|                     | 132                    | 137  | 5        | 1.53 | 0.33   | <1     | 2      | ap     | 1.71    |
| K-125               | 11                     | 17   | 6        | 0.11 | 0.04   | 1.9    | 684    | <1     | 0.41    |
| K-126               | 125                    | 128  | 3        | <0.1 | 0.02   | 4.3    | 1769   | 1.4    | 0.77    |
|                     | 131                    | 134  | 3        | <0.1 | 0.01   | 1.7    | 552    | 0.9    | 0.31    |
| K-127 including and | 37                     | 59   | 22       | 0.84 | 1.31   | <1     | 274    | ap     | 1.65    |
|                     | 46                     | 48   | 2        | 0.44 | 0.35   | <1     | 1647   | ap     | 1.25    |
|                     | 50                     | 59   | 9        | 1.29 | 2.87   | <1     | 117    | ap     | 2.90    |
|                     | 90                     | 94   | 4        | <0.1 | 0.01   | 2.3    | 902    | ap     | 0.36    |
| K-128               | No significant results |      |          |      |        |        |        |        |         |
| K-129               | 34                     | 37   | 3        | 0.37 | 0.36   | <1     | 20     | ap     | 0.57    |
| K-130               | 30                     | 35   | 5        | 0.74 | 0.24   | <1     | 4      | ap     | 0.87    |

**\* - Note on the use of copper equivalent grades.**

The estimate summary table above shows a copper equivalent grade. The equivalent grade is based on copper, gold, silver, molybdenum and rhenium. The copper metal equivalent calculation is based on a copper price of \$US8,800/t, gold price of \$US1,500/oz, silver price of \$US35/oz, a molybdenum price of \$US33,000/t and a rhenium price of \$US3000/kg. Grade and price units are converted to percent and tonnes respectively. The sum product is calculated and then divided by the copper price to arrive at a copper equivalent grade. It is the opinion of Syndicated Metals that the metals included in the equivalent calculation have a reasonable potential to be recovered although definitive metallurgical test work has only been conducted on copper and molybdenum at this stage of the project's development.

# 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

SYNDICATED METALS LIMITED

ABN

61 115 768 986

Quarter ended ("current quarter")

31 March 2012

### Consolidated statement of cash flows

| Cash flows related to operating activities        |  | Current quarter<br>\$A'ooo | Year to date<br>(9 months)<br>\$A'ooo |
|---|--|----------------------------|---------------------------------------|
| 1.1   | Receipts from product sales and related debtors  | 47                         | 127                                   |
| 1.2   | Payments for (a) exploration & evaluation<br>(b) development<br>(c) production<br>(d) administration | (885)<br><br>(101)         | (2,519)<br><br>(555)                  |
| 1.3   | Dividends received   | 10                         | 120                                   |
| 1.4   | Interest and other items of a similar nature received  | (1)                        | (1)                                   |
| 1.5   | Interest and other costs of finance paid   |                            |                                       |
| 1.6   | Income taxes paid  |                            |                                       |
| 1.7   | Other (provide details if material)  |                            |                                       |
|   | <b>Net Operating Cash Flows</b>  | (930)                      | (2,828)                               |
| <b>Cash flows related to investing activities</b> |  |                            |                                       |
| 1.8   | Payment for purchases of: (a) prospects<br>(b) equity investments<br>(c) other fixed assets          | (8)                        | (20)                                  |
| 1.9   | Proceeds from sale of: (a) prospects<br>(b) equity investments<br>(c) other fixed assets             |                            |                                       |
| 1.10  | Loans to other entities  |                            |                                       |
| 1.11  | Loans repaid by other entities   |                            |                                       |
| 1.12  | Other (provide details if material)  |                            |                                       |
|   | <b>Net investing cash flows</b>  |                            |                                       |
| 1.13  | Total operating and investing cash flows (carried forward)   | (938)                      | (2,848)                               |

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

|      |  |       |         |
|------|--|-------|---------|
| 1.13 | Total operating and investing cash flows (brought forward) | (938) | (2,848) |
|      | <b>Cash flows related to financing activities</b>          |       |         |
| 1.14 | Proceeds from issues of shares, options, etc.              | 650   | 1,502   |
| 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)                        | (5)   | (14)    |
|      | <b>Net financing cash flows</b>                            | 645   | 1,488   |
|      | <b>Net increase (decrease) in cash held</b>                | (293) | (1,360) |
| 1.20 | Cash at beginning of quarter/year to date                  | 2,172 | 3,239   |
| 1.21 | Exchange rate adjustments to item 1.20                     |       |         |
| 1.22 | <b>Cash at end of quarter</b>                              | 1,879 | 1,879   |

**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<br>\$A'ooo |
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | 481                        |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10   |                            |

1.25 Explanation necessary for an understanding of the transactions

Directors fees and professional services

**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

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

+ See chapter 19 for defined terms.

|                                 | Amount available<br>\$A'ooo | Amount used<br>\$A'ooo |
|---------------------------------|-----------------------------|------------------------|
| 3.1 Loan facilities             |                             |                        |
| 3.2 Credit standby arrangements |                             |                        |

### Estimated cash outflows for next quarter

|                                | \$A'ooo    |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 300        |
| 4.2 Development                |            |
| 4.3 Production                 |            |
| 4.4 Administration             | 150        |
| <b>Total</b>                   | <b>450</b> |

### 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<br>\$A'ooo | Previous quarter<br>\$A'ooo |
|--|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank                     | 179                        | 172                         |
| 5.2 Deposits at call                             | 1,700                      | 2,000                       |
| 5.3 Bank overdraft                               |                            |                             |
| 5.4 Other (provide details)                      |                            |                             |
| <b>Total: cash at end of quarter (item 1.22)</b> | <b>1,879</b>               | <b>2,172</b>                |

### Changes in interests in mining tenements

|   | Tenement<br>reference | Nature of interest<br>(note (2)) | Interest at<br>beginning<br>of quarter | Interest at<br>end of<br>quarter |
|---|-----------------------|----------------------------------|--|----------------------------------|
| 6.1 Interests in mining tenements relinquished, reduced or lapsed | EPM 17676             |                                  | 100%                                   | Nil                              |
| 6.2 Interests in mining tenements acquired or increased           |                       |                                  |  |                                  |

+ 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 | <b>Preference securities</b><br><i>(description)</i>   |              |               |   |  |
| 7.2 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |              |               |   |  |
| 7.3 | <b>+Ordinary securities</b>  | 123,716,315  | 109,692,833   |   |  |
| 7.4 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs              | 10,786,520   | 10,786,520    |   |  |
| 7.5 | <b>+Convertible debt securities</b><br><i>(description)</i>  |              |               |   |  |
| 7.6 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted              |              |               |   |  |

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+ See chapter 19 for defined terms.




**Appendix 5B**  
**Mining exploration entity quarterly report**

| 7.7  | <b>Options</b><br>(description and conversion factor) | Number    |  | Exercise price | Expiry date |
|------|---|-----------|--|----------------|-------------|
|      |   | 8,000,000 |  | 30 cents       | 3 Sep 2012  |
|      |   | 1,000,000 |  | 40 cents       | 31 Oct 2012 |
|      |   | 1,000,000 |  | 30 cents       | 9 Sep 2014  |
|      |   | 1,600,000 |  | 25 cents       | 30 Nov 2014 |
|      |   | 1,000,000 |  | 30 cents       | 30 Nov 2014 |
|      |   | 3,800,000 |  | 35 cents       | 30 Nov 2014 |
|      |   | 2,800,000 |  | 45 cents       | 30 Nov 2014 |
|      |   | 2,800,000 |  | 55 cents       | 30 Nov 2014 |
| 7.8  | Issued during quarter                                 |           |  |                |             |
| 7.9  | Exercised during quarter                              |           |  |                |             |
| 7.10 | Expired during quarter                                |           |  |                |             |
| 7.11 | <b>Debentures</b><br>(totals only)                    |           |  |                |             |
| 7.12 | <b>Unsecured notes</b> (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: April 16 2012  
(Director/Company secretary)

Print name: BR McCullagh

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+ See chapter 19 for defined terms.

## 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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