

22 July 2014

QUARTERLY ACTIVITIES AND CASH FLOW REPORT - 30 JUNE 2014

HIGHLIGHTS:

- Argent's project portfolio augmented with the addition of West Wyalong as a new asset (51%): two strong projects now with preparations under way for drilling - Kempfield and West Wyalong.
- Large copper-gold target (1.4 km X 0.8 km) identified at West Wyalong in world-class geological setting by high resolution magnetic survey. Similarities to Northparkes system observed.
- Kempfield advances firmly as a polymetallic project - Downhole MagnetoMetric Resistivity geophysics to start in July 2014, targeting additional rich lead/zinc mineralisation in project area. Potential identified for additional VMS lenses and feeder zone includes high grade lead/zinc, silver, and potentially, copper and gold.
- Kempfield Mineral Resource upgraded to JORC 2012 standard in preparation for growth.
- Owners of Box Hill property within the Kempfield project area welcomed as new shareholders of Argent Minerals.
- Cash of approximately \$893,000 at 30 June 2014.

STRONG JUNE QUARTER AS ARGENT PREPARES SIGNIFICANT DRILLING PROGRAMS

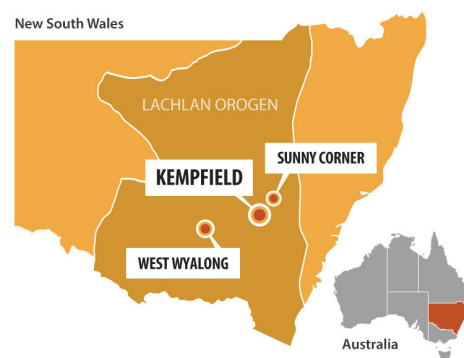
Argent Minerals Limited (ASX: ARD, Argent, Argent Minerals or the Company) is pleased to announce a strong second quarter for calendar year 2014.

The addition of the West Wyalong Project to Argent's asset portfolio is a hallmark achievement, following the identification of a large copper-gold target in a geological setting that hosts world-class porphyry copper-gold mines such as Newcrest's Cadia, China Molybdenum's Northparkes, and 37 kilometres to the north of West Wyalong - Barrick Gold's Lake Cowal mine. The magnetic anomaly spans a significant area of approximately 1.4 kilometres by 800 metres that is coincident with an induced polarisation (IP) chargeability high and strong copper and gold geochemistry intersected by historical shallow aircore drilling. Together, they indicate a sizeable potential porphyry copper-gold target that 3D modeling indicates could extend to depth from 200 metres¹.

Similarities have been observed to the Northparkes system, and if it is connected to the same structure as the Narragudgil Prospect two kilometres to the south east as the Company believes it could be, then Argent may have identified the potential for a major discovery in this rich, highly productive area that has yielded some of Australia's best copper-gold deposits.

The addition of the 51% interest in the West Wyalong Project is a substantial boost to Argent's project portfolio, which now features two strong projects with identified copper-gold opportunities, along with the potential for rich lead/zinc mineralisation at Kempfield in which the Company has a 100% interest.

Zinc is of increasing interest to Argent, given its prominence in the lead/zinc component of the Kempfield Mineral Resource, as well as the additional exploration potential identified in the project area during the quarter, coupled with the metal's recent price gains. London Metals Exchange (LME) zinc spot prices have increased 43.8% over



¹ See ASX Announcement 17 July 2014

the last five years, with 23.6% of this occurring during the last 12 months², due to forecast net shortages in supply in the short to medium term³. Major mine closures between now and 2018 include MMG's Century zinc mine in Queensland in 2015.

The Kempfield Polymetallic Project, in addition to continuing to provide leveraged exposure to future precious metal pricing, now enjoys increased potential exposure to strategic base metals. Prospects for zinc/lead mineralisation feature immediately to the west of the known deposit, where a large untested area has been identified as offering potential for additional Volcanogenic Massive Sulphide (VMS) lenses and a feeder zone with high grade lead/zinc, and possibly copper and gold. Preliminary results of lead isotope studies during the quarter added to the growing list of exploration vectors pointing to the feeder zone potential.

During the quarter the Kempfield Mineral Resource Statement was upgraded from JORC 2004 to JORC 2012 standard in preparation for an extensive drilling program to be conducted in the prospective VMS lens and feeder zone area. A key result of this review is that there has been no material change in the Mineral Resource estimate, reflecting both the quality of the Mineral Resource itself and the high standard of the Argent Minerals work to date on the Kempfield Polymetallic Project.

Argent Minerals is in an excellent position at the Kempfield Polymetallic Project, with 82% of the Mineral Resource tonnes categorised as either Measured or Indicated, including 90% of the oxide/transitional material. Only Measured or Indicated Resource categories are able to offer any opportunity for the estimation of Ore Reserves for mining production.

The upgrade of the Mineral Resource Statement to JORC 2012 standard places Argent Minerals on a strong, quality foundation for the growth path ahead.

Drilling program preparations are underway for both Kempfield and West Wyalong, with additional geophysics identified as the next step for each project.

A geophysical review during the quarter identified the Downhole MagnetoMetric Resistivity (DHMMR) survey technique as potentially providing Argent with an improved ability to detect the target lead/zinc mineralisation adjacent to the existing Kempfield deposit - predominantly sphalerite-rich mineralisation with galena, which forms a relatively poor conductor. Despite the relatively rich grades intercepted by recent diamond drilling, mineralisation was not detected by conventional Downhole ElectroMagnetic (DHEM) surveys performed in the area earlier this year by Argent; diamond hole AKDD159 intercepted rich mineralisation at the West McCarron Zone - 18 m @ 9.8% Pb/Zn, 113 g/t Ag & 0.26 g/t Au from 85 m (including 5 m @ 17.9% Pb/Zn, 259 g/t Ag & 0.34 g/t Au from 88 m)⁴.

DHMMR is a geophysics technique which has been used successfully to detect rich lead/zinc targets that have not responded to conventional DHEM survey techniques. Examples include Perilya's North Mine lead/zinc deposit at Broken Hill, NSW, where DHMMR was employed successfully to delineate the Zinc Lodes - rich mineralisation that had not been detected by previous DHEM surveys⁵. DHMMR is also considered to have made a significant contribution to the delineation of Perilya's Potosi deposit at Broken Hill.

The DHMMR technique, if determined to be successful in the detection of the target lead/zinc mineralisation at Kempfield, will form a valuable complement to the geophysics exploration strategy recommended by Professor Ross Large of the Australian Centre of Excellence in Ore Deposits (CODES). Professor Large recommended the combination of coincident gravity and induced polarisation anomalies for the generation of massive sulphide targets at Kempfield and the implementation of this strategy has played a key role in the identification of the significant exploration upside potential at Kempfield.

DHMMR surveys are scheduled to commence at Kempfield during July 2014.

Argent Minerals Managing Director David Busch said, "We are delighted with Argent's progress this quarter; the West Wyalong Project has been added to the Company's portfolio as a key, quality asset in which we have earned a 51% interest, and Kempfield is advancing firmly as a polymetallic project with the identification of significant base

² Source: Bloomberg LME zinc spot daily closes \$US2296.5 (17/7/2014), \$US1818.0 (16/7/2013), and \$US1597.25 (17/7/2009)

³ Source: UBS Global I/O@: Miner's Price Review 9 July 2014

⁴ See ASX Announcement 10 March 2014

⁵ See ASX Announcement 24 June 2014

metal potential. This makes two strong projects with significant opportunities for both copper and gold, and exposure to strategic base metals featuring zinc, at the Kempfield Polymetallic Project".

WEST WYALONG

About the West Wyalong magnetic anomaly

Figures 1a and 1b show a side by side comparison plan view of the magnetic low and the chargeability high identified over the area of interest. Figures 2a and 2b are to the same scale as Figures 1a and 1b, and show the related cross sections of the interpreted models of the anomalies to a depth of approximately 625 metres.

Figure 1a - Magnetic low anomaly (plan view)

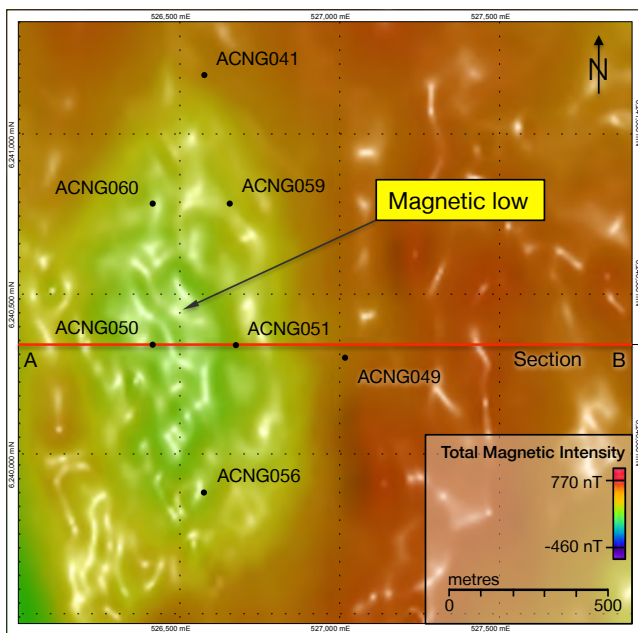


Figure 1b - IP chargeability for same area as Figure 1a

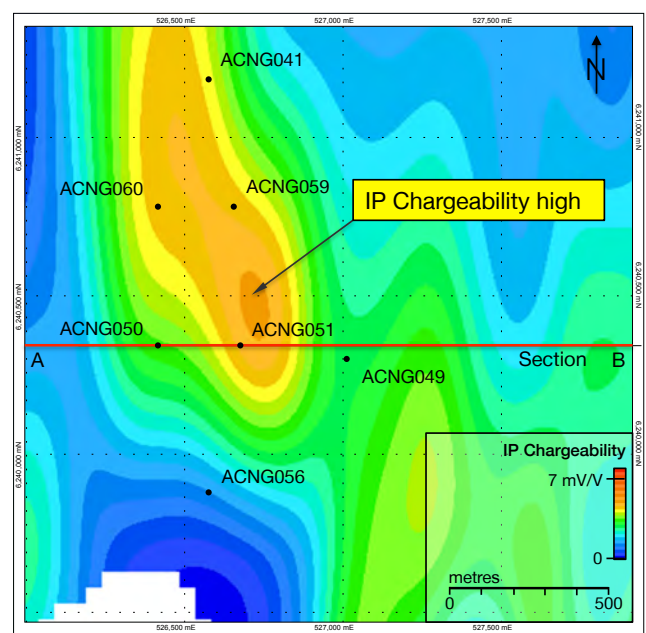


Figure 2a - Magnetic low anomaly (cross section AB)

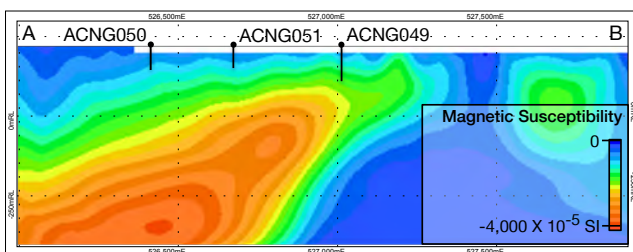
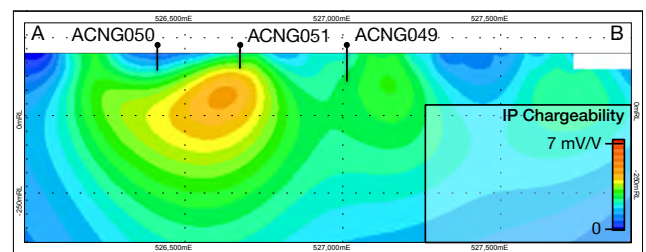


Figure 2b - IP chargeability (cross section AB)



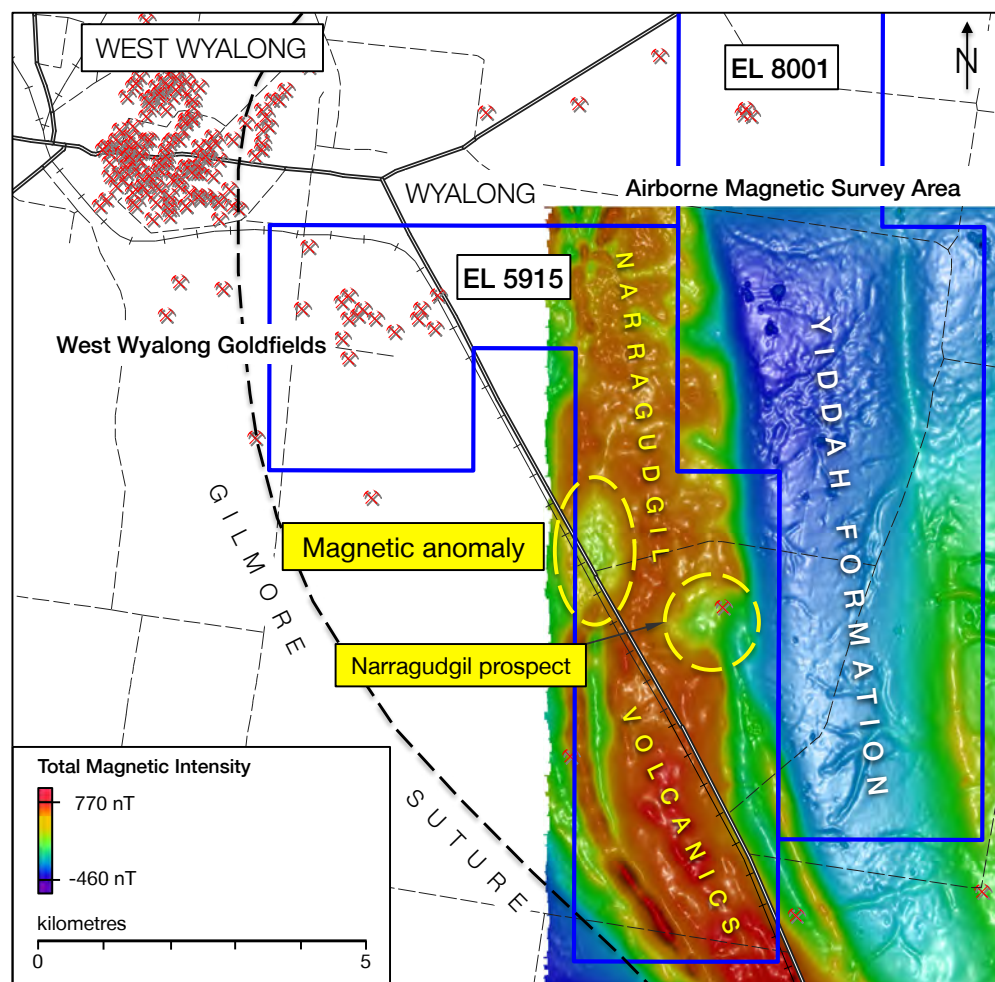
About the West Wyalong geological setting and the airborne magnetic survey area

The West Wyalong Project is situated in the Macquarie Arc of the Lachlan Orogen, in a geological setting of Ordovician volcanics that hosts world-class porphyry copper-gold mines such as Newcrest's Cadia, China Molybdenum's Northparkes, and 37 kilometres to the north of West Wyalong - Barrick Gold's Lake Cowal mine.

Exploration licence EL5915 and the southern portion of EL8001 of the West Wyalong Project are strategically located on the Narragudgil Volcanics, in between the Gilmore Suture, a major crustal structure, and the Yiddah Formation (Figure 3). Copper-gold porphyry deposits commonly occur in orogenic belts at convergent plate boundaries and are often associated with oceanic volcanic island arcs overlying oceanic crust such as the Macquarie Arc. Ordovician age Narragudgil Volcanics are prospective for porphyry copper-gold deposits. These

deposits are typically medium to large tonnage (30 to >300 Mt) with grades ranging from 0.4 to 2.5 g/t gold and 0.2 to 1.5% copper.

Figure 3 - Geological setting, regional map and airborne magnetic survey area



Similarities have been observed in relation to the Northparkes deposit, and will be reported separately to the ASX on completion of the analysis.

Joint Venture Position

Figure 4 summarises Argent's interest in the West Wyalong Farmin and Joint Venture Agreement between Argent Minerals Limited and Golden Cross Operations Pty Ltd, a wholly owned subsidiary of Golden Cross Resources Limited as announced on 17 July 2014 (JVA).

Argent Minerals now has the right to a 70% interest in the project through exploration expenditure totalling \$482,288 by 9 January 2016.

Figure 4: Expenditure earned interest summary for the West Wyalong Project JVA

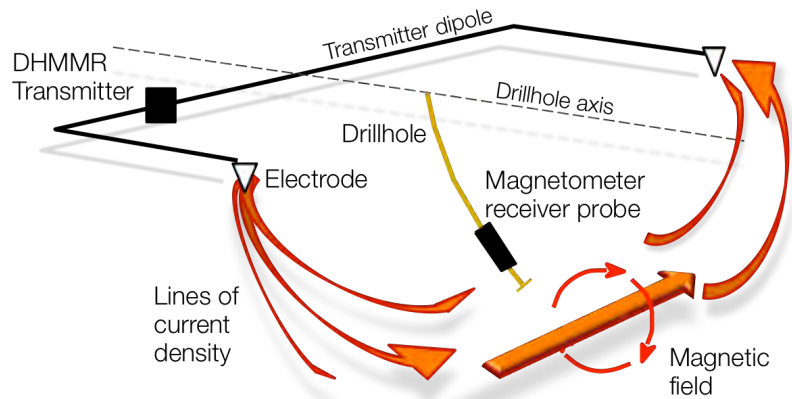


KEMPFIELD POLYMETALLIC PROJECT

About the DHMMR survey technique at the Kempfield Polymetallic Project

DHMMR surveys require only a conductivity contrast between the host rock and the target, whether or not the target itself is a good conductor. Previous research suggests that low conductivity mineralisation such as that at the Kempfield West McCarron Zone, could produce a sufficient DHMMR signal if the conductivity contrast between the target area and the surrounding material is greater than 3:1.

The DHMMR technique involves the detection of this contrast by injecting a current directly into the ground via electrodes. The electrical current favours the path of least resistance; this is called 'current channelling', and the accompanying concentration in the magnetic field generated by the current may be measured with the aid of a magnetometer receiver probe.



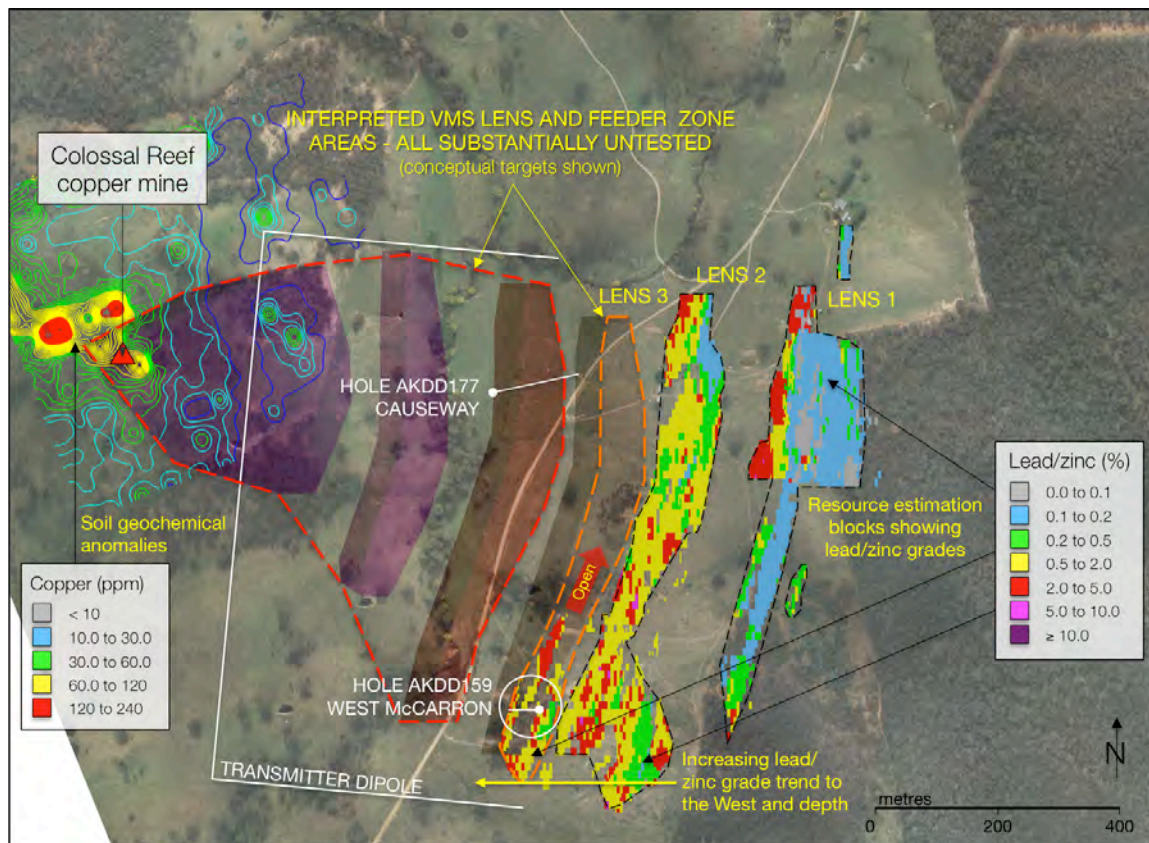
Source: Kate Hine/Mitre Geophysics

About the Kempfield DHMMR surveys

At Kempfield, the downhole sensor will take measurements at progressive depths in each of holes AKDD159 and AKDD177.

Mitre Geophysics has designed a DHMMR transmitter dipole layout to provide coverage of the known mineralisation intercepted by AKDD159 and to maximise the reach of the survey to 'illuminate' the interpreted VMS lens and feeder zone areas (see Figure 5).

Figure 5 - DHMMR survey plan for Kempfield target VMS lens and feeder zone areas



The underlying strategy is to firstly determine the extent to which the known lead/zinc mineralisation intercepted by AKDD159 responds to the DHMMR technique, and adopt that as a benchmark against which the remainder of the measurements may be compared.

The radius of investigation may be up to 150 metres in each direction from each hole.

About the target VMS lens and feeder zone areas at the Kempfield Polymetallic Project

Figure 5 is a plan view of the existing mineralisation (excluding Quarries Zone to the north), together with conceptual VMS lenses and a feeder zone that have been generated based on all of the available data.

These areas are summarised as follows⁵:

- **Lens 1 and 2.** The known mineralisation at Kempfield has been estimated and documented as a JORC 2012 Mineral Resource (see 6 May 2014 announcement). The mineralisation occurs in the form of two main north trending lenses, labelled 'Lens 1' and 'Lens 2' in Figure 5. A distinct trend of increasing grades, especially lead/zinc, is evident, with the increase occurring towards the west and at depth.
- **Lens 3.** As noted in the DHMMR discussion above, the West McCarron Zone of existing mineralisation, also forming part of the JORC 2012 Mineral Resource estimate, is interpreted as being the southern section of a longer Lens 3 that lies to the west and parallel with Lens 2. As indicated by the red 'Open' arrow in Figure 5, the mineralisation in Lens 3 remains open to the north. Information supporting this interpretation includes IP chargeability data, soil geochemical anomalies, rock outcrops, and gravity survey data. Based on a plan to test an IP chargeability anomaly, hole AKDD177 successfully intercepted the target pyrites, which are interpreted to be a VMS alteration 'halo' associated with nearby mineralisation. However, hole AKDD177, which was stopped at 408 m, did not test the adjacent section of Lens 3 at depth.

The rich lead/zinc intercepts reported in the 10 March 2014 announcement are on the western edge of the West McCarron Zone and importantly, in addition to being open to the north, mineralisation also remains open to the west and at depth.

- **Western VMS lens and feeder zone (including Colossal Reef copper mine).** A substantially untested area lies immediately to the west of Lens 2 and Lens 3, and includes the area denoted by the dashed red polygon in Figure 5. Several Argent Minerals announcements have referred to the increasing database of exploration vectors pointing to the potential for a feeder zone and associated rich mineralisation - the potential for rich lead/zinc grades +/- gold and copper.

Example conceptual VMS lenses and a feeder zone have been generated within the polygon, based on a hypothesis of an overturned VMS mound with a symmetrical repetition of Lens 1, 2 and 3. Under this hypothesis, Lens 1 is the most distal to the feeder source, and therefore the lowest temperature, which in the VMS deposit spectrum, can be expected to be predominantly silver/barite mineralisation. This is the case for Lens 1.

Under this model, Lens 2 can be expected to yield generally increasing grades, with lead/zinc beginning to feature more, and Lens 3 yielding the highest base metal grades of Lenses 1 to 3. All of this is supported by the available evidence at this point.

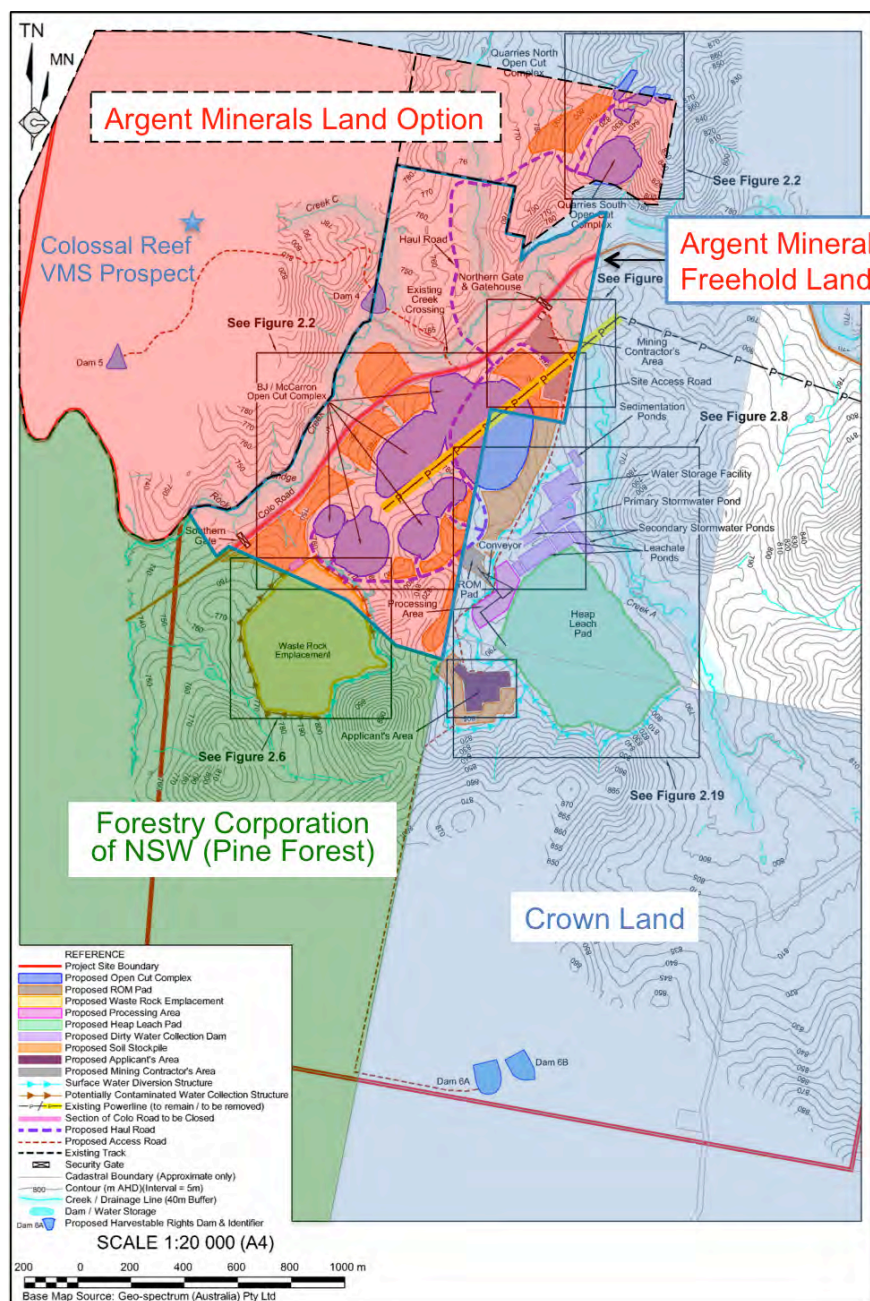
A feeder zone (such as that marked conceptually by the purple polygon closest to the historic Colossal Reef copper mine), could be expected to yield the richest grades related to the higher temperatures involved in the original deposition sequence. The presence of the copper mine, with adjacent copper soil anomalies, as well as outcropping blue azurite and green malachite, are supportive of this conceptual model.

Alternative genesis models have been considered for the area, and remain valid until geophysics, and ultimately, drill-testing, reveal further information.

SHARE ISSUE AND CAPITAL STRUCTURE

On 17 June 2014 Argent Minerals announced that it had issued 901,904 fully paid ordinary shares in Argent Minerals Limited, as part consideration under the binding option term sheet (**Option**), to owners of a key property within the proposed Kempfield Polymetallic Project site.

Figure 6 - Argent Minerals Land Option area



The Option allows the Company to purchase the property known as Box Hill farm (comprising Lots 47 and 48 in DP753040 and Lot 63 in DP722301) on Colo Road at Kempfield, which adjoins land currently owned by Argent Minerals (see Figure 6).

Box Hill comprises approximately 424 hectares of predominantly agricultural land and includes substantial improvements that the Company plans to utilise as the mine manager's residence and a secondary site office.

The Option may be exercised at any time within two years from the Effective Date of the Option. The Company may extend the Option Period by a further twelve months on notice in writing to the Vendors at least 30 days prior to the expiry of the two year period.

Option fees comprise the following payments made by the Company:

- \$20,000 payable within 5 business days of the Effective Date, which the Company paid on 17 June 2013; and
- \$20,000 payable on each six month anniversary of the Effective Date in order to keep the Option open for a further six months during the Option Period, subject to earlier termination of the Option.

In addition, the Company will issue to the Vendors or their

nominee in writing \$20,000 of quoted Argent Minerals ordinary shares, based on the five day volume weighted average price prior to the date of issue on each 12 month anniversary of the Effective Date until the Option is exercised or expires.

At any time prior to the exercise of the Option, the Purchaser may terminate the Term Sheet of the Option Agreement in its absolute discretion.

CASH POSITION

The available cash position for Argent Minerals as at 30 June 2014 was approximately \$893,000.

Appendix A provides details of Argent Minerals exploration tenements according to ASX Listing Rule 5.3.3 requirements, and is followed by Appendix 5B.

For further information please contact:

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APPENDIX A – TENEMENT INFORMATION

The following mining tenement information is provided pursuant to Listing Rule 5.3.3:

Table 1 – Mining Tenement¹ Interest Activities for the Quarter Ending 30 June 2014

Tenement Identifier	Location	Interest Acquired During Quarter	Interest Divested During Quarter	Interest Held at End of Quarter
Kempfield				
EL5645 (1992)	NSW	-	-	100%
EL5748 (1992)	NSW	-	-	100%
EL7134 (1992)	NSW	-	-	100%
EL7785 (1992)	NSW	-	-	100%
EL7968 (1992)	NSW	-	-	100%
EL8213 (1992)	NSW	-	-	100%
PLL517 (1924)	NSW	-	-	100%
PLL519 (1924)	NSW	-	-	100%
PLL727 (1924)	NSW	-	-	100%
PLL728 (1924)	NSW	-	-	100%
West Wyalong				
EL5915 (1992)	NSW	-	-	51% ²
EL8001 (1992)	NSW	-	-	51% ²
Sunny Corner				
EL5964 (1992)	NSW	-	-	70% ³

Notes

1. The definition of “Mining Tenement” in ASX Listing Rule 19.12 is “Any right to explore or extract minerals in a given place”.
2. Under the West Wyalong Joint Venture and Farmin Agreement dated 8 June 2007 between Golden Cross Operations Pty Ltd and Argent Minerals Limited (JVA), Argent Minerals has the right to earn 51%, then 70%. The tenement holder is Golden Cross Operations Pty Ltd. During the quarter the JVA counterparties agreed that 51% has been earned (announced 17 July 2014).
3. The tenement holder is Golden Cross Operations Pty Ltd.
4. For all Kempfield tenements the tenement holder is Argent (Kempfield) Pty Ltd, a wholly owned subsidiary of Argent Minerals Limited.

COMPETENT PERSON STATEMENTS

Previously Released Information

This ASX announcement contains information extracted from the following reports which are available for viewing on the Company's website <http://www.argentminerals.com.au> :

- 10 March 2014 Assays Confirm Third VMS Lens Group at Kempfield - Revised;
- 6 May 2014 Kempfield Resource Statement Upgraded to JORC 2012 Standard;
- 24 June 2014 Kempfield Exploration Update - Drill Target Delineation; and
- 17 July 2014 Mag Survey Reveals Large Copper-Gold Target at West Wyalong.

The Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcements, and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

DISCLAIMER

This ASX announcement (**Announcement**) has been prepared by Argent Minerals Limited (ABN: 89 124 780 276) (**Argent Minerals, Argent** or the **Company**). It should not be considered as an offer or invitation to subscribe for or purchase any securities in the Company or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in the Company will be entered into on the basis of this Announcement.

This Announcement contains summary information about Argent Minerals, its subsidiaries and their activities which is current as at the date of this Announcement. The information in this Announcement is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Argent Minerals.

By its very nature exploration for minerals is a high risk business and is not suitable for certain investors. Argent Minerals securities are speculative. Potential investors should consult their stockbroker or financial advisor. There are a number of risks, both specific to Argent Minerals and of a general nature which may affect the future operating and financial performance of Argent Minerals and the value of an investment in Argent Minerals including but not limited to economic conditions, stock market fluctuations, silver, lead, zinc, copper and gold price movements, regional infrastructure constraints, securing drilling rigs, timing of approvals from relevant authorities, regulatory risks, operational risks and reliance on key personnel and foreign currency fluctuations.

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Argent Minerals and its projects, are forward-looking statements that:

- may include, among other things, statements regarding targets, estimates and assumptions in respect of mineral resources and mineral reserves and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions;
- are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Argent Minerals, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies; and,
- involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Argent Minerals disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All forward-looking statements made in this announcement are qualified by the foregoing cautionary statements. In particular, the corporate mission and strategy of the Company set forth in this Announcement represents aspirational long-term goals based on current expectations. Investors are cautioned that forward-looking statements are not guarantees of future performance and accordingly investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

No verification: Although all reasonable care has been undertaken to ensure that the facts and opinions given in this Announcement are accurate, the information provided in this Announcement has not been independently verified.

All production related images in this Announcement are not Argent Minerals Limited assets, including the images in the header.

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

Argent Minerals Limited

ABN

89 124 780 276

Quarter ended ("current quarter")

30 June 2014

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 & evaluation	(276)	(1,211)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(123)	(863)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	9	46
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - GST	9	43
	- R&D Tax Incentive	-	1,782
Net Operating Cash Flows		(381)	(203)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(3)	(27)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(3)	(27)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(384)	(230)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	420
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 – Cost from the issue of options	-	(56)
	Net financing cash flows	-	364
	Net increase (decrease) in cash held	(384)	134
1.20	Cash at beginning of quarter/year to date	1,277	759
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	893	893

Payments to directors of the entity, associates of the directors, 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	109
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	\$'000
Directors fees and remuneration	93
Accounting, corporate, bookkeeping and secretarial services	16

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

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

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	260
4.2 Development	-
4.3 Production	-
4.4 Administration	130
Total	390

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	9	7
5.2 Deposits at call	884	1,270
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	893	1,277

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A	N/A	N/A
6.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A

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				
Performance Rights				
Tranche 1 Performance Rights	1,500,000	-	-	-
Tranche 2 Performance Rights	1,000,000	-	-	-
7.2				
Changes during quarter				
(a) Increases through issues				
Tranche 1 Performance Rights	-	-	-	-
Tranche 2 Performance Rights	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3				
*Ordinary securities	153,559,068	153,559,068	N/A	N/A
7.4				
Changes during quarter				
(a) Increases through issues	901,904	901,904	0.022	0.022
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5				
*Convertible debt securities (description)	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options (<i>description and conversion factor</i>)	53,002,823 6,574,000	53,002,823 -	<i>Exercise price</i> \$0.175 \$0.25	<i>Expiry date</i> 31 March 2016 29 August 2016
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (<i>totals only</i>)	-	-		
7.12	Unsecured notes (<i>totals only</i>)	-	-		

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: Sarah Shipway
Company secretary

Date: 22 July 2014

Print name: Sarah Shipway

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 and petroleum 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 or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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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