



Quarterly Report - Activities

for the quarter ended 30 June 2014

Highlights

- **Visible gold and copper sulphides identified at Chanach Copper-Gold project**
- **Acquisition of an additional 32.2% lifts ownership of Chanach Copper-Gold project to 88.7%**
- **Oversubscribed Placement Raises \$1.2 Million**
- **Shareholder Purchase Plan Raises \$0.5 Million**

White Cliff Minerals Limited (“**White Cliff**” or “the **Company**”) is pleased to report its quarterly activities report for the June quarter 2014.

Kyrgyz Chanach Copper-Gold Project

Field work at the Company’s Kyrgyz Chanach project commenced during the June quarter. Initial trenching results carried out to confirm the 2013 discovery of a major copper-gold zone identified exceptional copper and gold mineralisation including visible gold and copper sulphide in the first trench completed this year. Results included:

- 10 metres at 2.94% copper and 8 g/t gold including 3 metres at 7.7% copper and 19.8 g/t gold and;
- 22 metres at 2.5 g/t gold including 4 metres at 4.5 g/t gold and 5 metres at 5.5 g/t gold

In addition to the trench samples reported above, the Company has also carried out geological mapping and sampling on the surrounding hills and has identified several mineralised zones that appear to occur along strike from the existing mineralised zones. Rock chip sampling of these areas has identified significant assays for both gold and copper (Table 2) including two samples at Lower West Zone averaging 9.8 g/t gold, five samples at Upper West Zone averaging 7.92g/t gold and five samples at Upper North Zone averaging 1.02% copper

Corporate

During the June quarter the Company completed the acquisition of an additional 32.2% interest in the Chanach Copper-gold project. The Company’s interest in the Chanach Copper-gold project has increased to 88.7%.

The Company also successfully completed an oversubscribed placement to sophisticated and institutional clients of Hartleys Limited, raising \$1.2 million whilst completing a share purchase plan (SPP) that raised a further \$500,000. Subsequent to quarter end, the Company received a government \$352,962 research and development tax rebate.

Todd Hibberd
Managing Director
28 July 2014

1 The Chanach Copper – Gold Project, Central Asia (88.7%)¹

During the June quarter shareholders approved the acquisition of T2 Gold Pty Ltd.'s ("**T2 Gold**") 32.2% interest in the Chanach project in the Kyrgyz Republic ("**Chanach**"). White Cliff Minerals interest in Chanach, which includes the recently discovered high grade Aucu copper and gold epithermal vein system has increased to 88.7%.

The 2014 trenching program has identified additional extensive copper and gold mineralisation at Aucu. Mineralisation occurs as at least three zones interpreted to strike NNW (310 degrees) dipping steeply to the SSW (80 degrees) occurring in highly altered sandstones and felsic porphyry and consists of quartz veining and associated alteration that is heavily impregnated with sulphides including pyrite and chalcopyrite. Trench channel sample results include:

- 10 metres at 2.94% copper and 8 g/t gold including 3 metres at 7.7% copper and 19.8 g/t gold and;
- 22 metres at 2.5 g/t gold including 4 metres at 4.5 g/t gold and 5 metres at 5.5 g/t gold

The first two trenches were designed to extend and deepen the high grade mineralisation reported in January 2014 (ASX Release 27th January 2014). The new trenches confirm the initial results and have extended the initial mineralisation to the south (Figure 1 and 2). Multiple additional smaller zones of copper and gold mineralisation were also identified surrounding the major mineralised zones which strike West North West (310 degrees) and dip steeply to the Southwest. The mineralisation appears to be deposited from fluids related to the adjacent copper-gold porphyry intrusions two kilometres to the East. The shear zones consist of brecciated and massive quartz veins containing copper sulphides, pyrite and in some cases **visible gold**. Mineralisation also occurs in alteration zones in all lithology types (granodiorite, sandstone, limestone, and conglomerate) either side of the shear zones (Table 1).

Rock Chip Sampling

In addition to the trench samples reported above, the Company has also carried out geological mapping and sampling on the surrounding hills and has identified several mineralised zones that appear to occur along strike from the existing mineralised zones (Figure 1 and 2). Rock chip sampling of these areas has identified significant assays for both gold and copper (Table 2) including two samples at Lower West Zone averaging 9.8 g/t gold, five samples at Upper West Zone averaging 7.92g/t gold and five samples at Upper North Zone averaging 1.02% copper

Company executives recently conducted a field visit to inspect the completed trenches and confirmed that visible gold was identified in several rock samples from trench 1. The presence of visible gold and copper sulphides at surface and the identification of mineralised veins 450 metres along strike to the West demonstrate the potential of the project to host significant copper-gold mineralisation.

Ongoing Exploration

The field team has completed 8 trenches ranging from 50 to 100 metres and quartz veining and copper mineralisation has been identified in most trenches. The Company has submitted 585 samples, assay results are pending for 364 samples. A further 189 samples have been collected and will be dispatched to the laboratory shortly. The Company is on target to commence drilling in August to test the potential for mineralisation at depth.

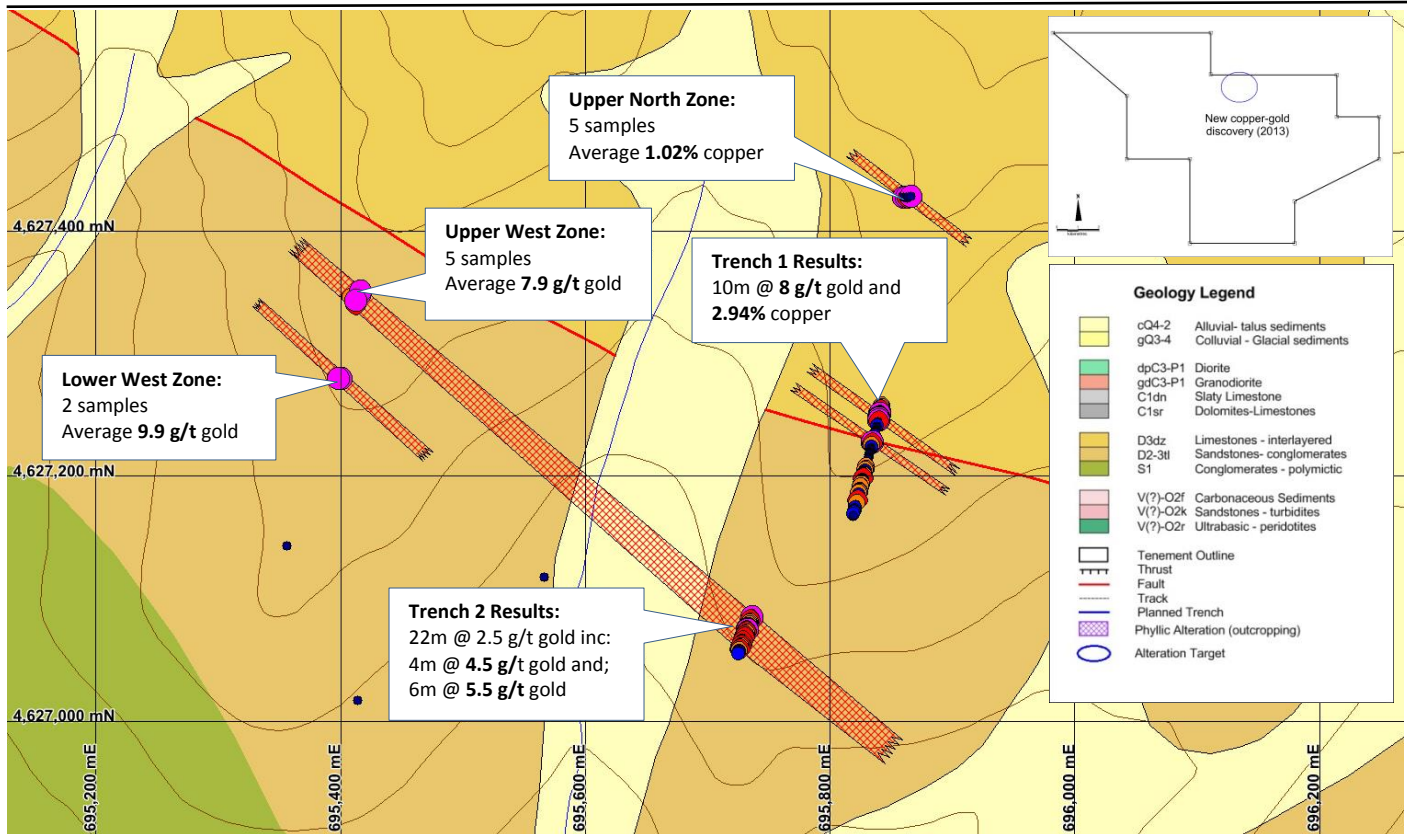


Figure 1 Interpreted mineralised zones (red hatched areas) with trench and rock chip sampling results



Figure 2 Interpreted mineralised zones (red areas) with possible extensions over aerial photography. White boxes are alteration targets.

Table 1 Copper and gold Channel rock chip sample results from the 2014 Trenches

Sample ID	Location	Zone	North	East	Gold (g/t)	Copper %
CHT14-1-05	Trench_1	1	695,841.135	4,627,254.095	2.15	0.83
CHT14-1-06	Trench_1	1	695,840.962	4,627,253.114	0.64	0.92
CHT14-1-07	Trench_1	1	695,840.789	4,627,252.133	0.74	1.53
CHT14-1-08	Trench_1	1	695,840.616	4,627,251.152	6.34	0.76
CHT14-1-09	Trench_1	1	695,840.443	4,627,250.170	3.31	0.69
CHT14-1-10	Trench_1	1	695,840.270	4,627,249.189	2.22	0.34
CHT14-1-11	Trench_1	1	695,840.097	4,627,248.208	5.21	1.21
CHT14-1-12	Trench_1	1	695,839.854	4,627,247.301	25.42	3.36
CHT14-1-13	Trench_1	1	695,839.611	4,627,246.393	29.84	12.31
CHT14-1-14	Trench_1	1	695,839.368	4,627,245.485	4.25	7.50
CHT14-1-30	Trench_1	2	695,835.476	4,627,230.963	- 0.05	0.12
CHT14-1-31	Trench_1	2	695,835.233	4,627,230.055	- 0.05	0.12
CHT14-1-32	Trench_1	2	695,834.990	4,627,229.147	3.90	0.66
CHT14-1-33	Trench_1	2	695,834.747	4,627,228.240	5.36	0.63
CHT14-1-34	Trench_1	2	695,834.503	4,627,227.332	1.03	0.33
CHT14-1-35	Trench_1	2	695,834.260	4,627,226.424	0.16	0.08
CHT14-1-36	Trench_1	2	695,834.017	4,627,225.517	0.53	0.05
CHT14-1-37	Trench_1	2	695,833.774	4,627,224.609	0.18	0.03
CHT14-1-85	Trench_1	3	695,822.100	4,627,181.041	1.15	0.30
CHT14-1-86	Trench_1	3	695,821.856	4,627,180.133	0.18	0.32
CHT14-14-01	Trench_2	1	695,735.720	4,627,085.230	15.20	- 0.01
CHT14-14-02	Trench_2	1	695,735.440	4,627,084.460	0.26	0.01
CHT14-14-03	Trench_2	1	695,735.160	4,627,083.691	0.29	0.01
CHT14-14-04	Trench_2	1	695,734.879	4,627,082.921	2.16	0.01
CHT14-14-05	Trench_2		695,734.599	4,627,082.151	- 0.05	0.01
CHT14-14-06	Trench_2		695,734.319	4,627,081.381	0.52	0.02
CHT14-14-07	Trench_2		695,734.039	4,627,080.612	0.31	- 0.01
CHT14-14-08	Trench_2		695,733.759	4,627,079.842	0.19	- 0.01
CHT14-14-09	Trench_2		695,733.479	4,627,079.072	0.22	- 0.01
CHT14-14-10	Trench_2		695,733.198	4,627,078.302	0.18	- 0.01
CHT14-14-11	Trench_2		695,732.918	4,627,077.533	0.23	- 0.01
CHT14-14-12	Trench_2	2	695,732.638	4,627,076.763	2.37	- 0.01
CHT14-14-13	Trench_2	2	695,732.358	4,627,075.993	18.41	- 0.01
CHT14-14-14	Trench_2	2	695,732.078	4,627,075.223	5.14	- 0.01
CHT14-14-15	Trench_2	2	695,731.798	4,627,074.454	1.32	- 0.01
CHT14-14-16	Trench_2	2	695,731.517	4,627,073.684	1.73	- 0.01
CHT14-14-17	Trench_2		695,731.237	4,627,072.914	0.94	- 0.01
CHT14-14-18	Trench_2		695,730.957	4,627,072.144	0.20	- 0.01
CHT14-14-19	Trench_2		695,730.677	4,627,071.375	0.24	0.02
CHT14-14-20	Trench_2		695,730.397	4,627,070.605	2.48	0.03
CHT14-14-21	Trench_2		695,730.117	4,627,069.835	0.28	- 0.01
CHT14-14-22	Trench_2		695,729.836	4,627,069.065	2.64	- 0.01

Table 2 Rock Chip sampling

Sample ID	Location	Zone	North	East	Gold (g/t)	Copper %
CHM 14-1-01	Route		4626673.00	695660.00	0.54	- 0.01
CHM 14-1-02	Route		4626651.00	695666.00	- 0.05	- 0.01
CHM 14-1-03	Route		4626610.00	695660.00	0.29	- 0.01
CHM 14-1-04	Route	C	4626602.00	695657.00	7.11	0.01
CHM 14-1-05	Route	C	4626567.00	695645.00	0.21	- 0.01
CHM 14-2-01	Route		4627118.00	695566.00	- 0.05	0.01
CHM 14-2-02	Route		4627017.00	695414.00	- 0.05	- 0.01
CHM 14-2-03	Route		4627143.00	695356.00	- 0.05	- 0.01
CHM 14-2-04	Route	LW	4627280.00	695400.00	10.26	0.01
CHM 14-2-05	Route	LW	4627280.00	695398.00	9.51	0.01
CHM 14-2-06	Route	UW	4627340.00	695412.00	2.46	0.02
CHM 14-2-07	Route	UW	4627347.00	695408.00	0.22	0.45
CHM 14-2-08	Route	UW	4627348.00	695415.00	18.65	0.02
CHM 14-2-09	Route	UW	4627351.00	695416.00	12.08	0.01
CHM 14-2-10	Route	UW	4627344.00	695412.00	6.18	0.37
CHM 14-3-01	Route	UN	4627428.00	695860.00	- 0.05	1.16
CHM 14-3-02	Route	UN	4627428.00	695862.00	- 0.05	1.02
CHM 14-3-03	Route	UN	4627427.00	695863.00	- 0.05	0.83
CHM 14-3-04	Route	UN	4627428.00	695864.00	- 0.05	0.32
CHM 14-3-05	Route	UN	4627429.00	695866.00	- 0.05	1.78

Notes: (LW) Lower West zone, (UW) Upper west zone, (UN) Upper North zone, (C) Conglomerate zone

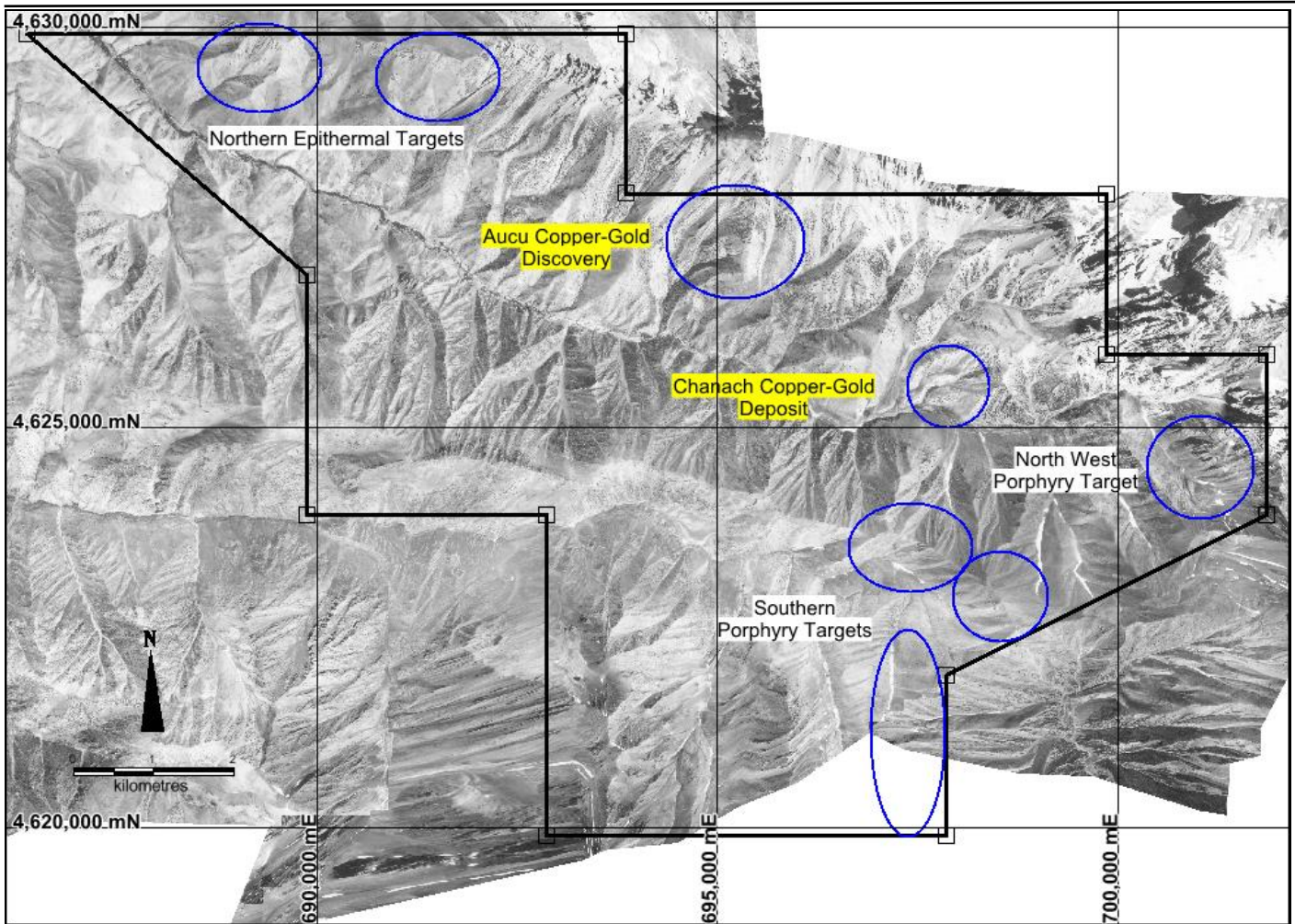


Figure 3 Map showing the location of the Aucu copper-gold discovery 2km to the NNW of the existing Chanach copper-gold deposit.

2 Lake Johnston Nickel Project (100%)¹

During the June quarter the Company completed a 1,100 metre reverse circulation (RC) drilling program at the Lake Johnston nickel project in Western Australia.

Drilling intersected disseminated pyrrhotite (iron sulphide) and chalcopyrite (copper sulphide) zones with associated quartz veining in hole GLRC008 explaining Conductor 2. The mineralisation occurs on the fault contact between basalt and ultramafic rock. The fault contact has acted as a conduit for hydrothermal fluids from volcanic activity that has generated quartz veining and wall rock alteration over 8 metres that contains anomalous levels of copper and base metals. Results include 4m at 0.23% Copper within 8 metres at 0.16% copper.

Holes GLRC002 (conductors 7-9) and GLRC004 (Conductor 4) failed to intersect EM conductors at the target depths. The Company is currently reviewing the geophysical data to establish if the modelled conductors are deeper than interpreted. Further drilling may be required to fully test these targets.

Two holes (GLRC006 and GLRC009) were drilled to test a strong surface nickel-copper-platinum-palladium soil anomaly. These holes intersected nickel-copper-zinc-bismuth mineralisation in the regolith profile. Samples were sent to Bureau Veritas laboratories in Perth for analysis.

Results for GLRC009 included 12 metres at 1.0% Nickel, 300ppm Copper, 0.16% Zinc, 18ppm Bismuth and 17ppb Platinum + Palladium including one metre at 2.0% Nickel, 235 ppm Copper, 0.15% Zinc and 58ppm Bismuth.

Results for GLRC006 included 4 metres at 1.06% nickel, 0.9% Chrome, 225 ppm Copper, 0.21% Zinc and 84ppm Bismuth.

The drill hole intersections occur at the weathering front between the oxidised regolith and the transitional regolith suggesting that weathering processes have contributed to the concentration of metals. However, the level of

anomalism of Nickel, Copper, Bismuth, Zinc and Platinum/Palladium suggests a primary magmatic process generated the mineralisation. The Company is considering further drilling to test down dip of the mineralisation.

The Company acknowledges the support of the Royalties for Regions Exploration Incentive Scheme (EIS) administered by the Department of Mines and Petroleum (DMP). The DMP will fund 50% of the total direct drilling costs up to a maximum of \$150,000.

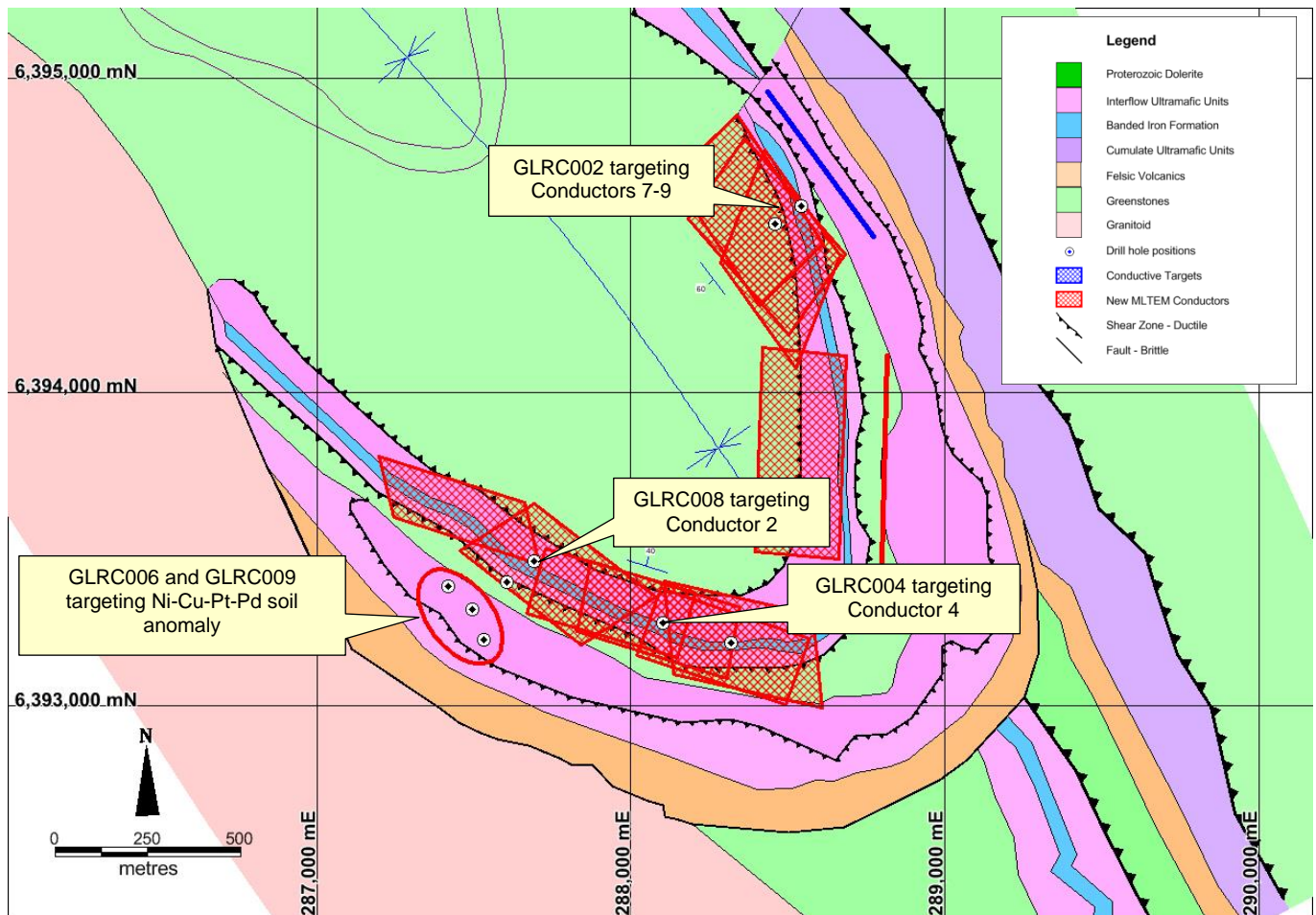


Figure 4 Mt Glasse location map showing detailed conductors (red hatched) and completed drill holes

Lake Percy Nickel Prospect (100%)¹

The Company completed a 220 sample infill and extension soil sampling program in January 2014 covering the western limb of the western ultramafic unit. The sampling was carried out to investigate a 2 kilometre long zone where previous sparse sampling identified strongly elevated levels of coincident nickel and copper (Figure 5). Recent drilling (2013) at the southern limit of this zone identified **32 metres at 0.83% nickel, 226 ppm copper and 176 ppm cobalt from 24 metres (LPRC007)** mainly within the weathered ultramafic regolith profile.

Several geochemical ratios were evaluated with the Kambalda ratio ($\text{Ni}/\text{Cr}^*\text{Cu}/\text{Zn}$) identifying a strong anomaly immediately North of the recent drilling (Figure 5). The Kambalda ratio identifies areas high in Nickel and Copper but low in Chrome and Zinc. These areas can host massive nickel sulphides and warrant further exploration. The Company has also identified three zones with highly anomalous Nickel and Copper values along the basal contact that also require follow up work (Figure 6). In general the western ultramafic unit has had little exploration and the drilling that has been completed has been widely spaced (lines 600m apart) shallow RAB drilling that has not tested the ultramafic unit at depth.

The Companies geophysical consultants Newexco are currently reviewing the geophysics over the western ultramafic unit to evaluate if more powerful EM is warranted. The Company will plan further work based on the results of the review in conjunction with the highly favourable geochemistry.

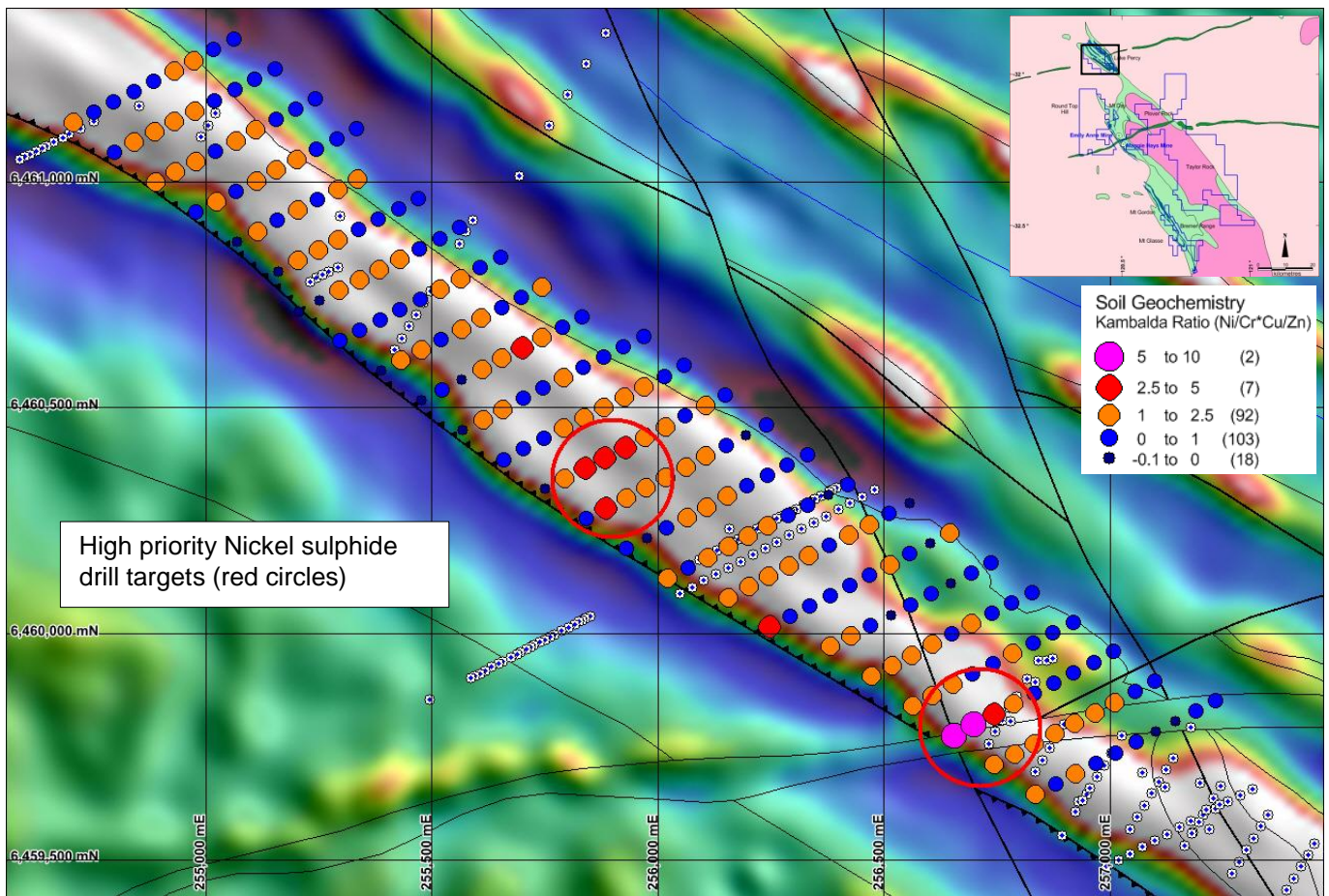


Figure 5 Lake Percy soil sampling showing highly anomalous nickel/chrome*copper/zinc (Kambalda) ratios >5 (pink dots) along the basal contact. White bullseyes are existing RAB drill holes at 600m spacing

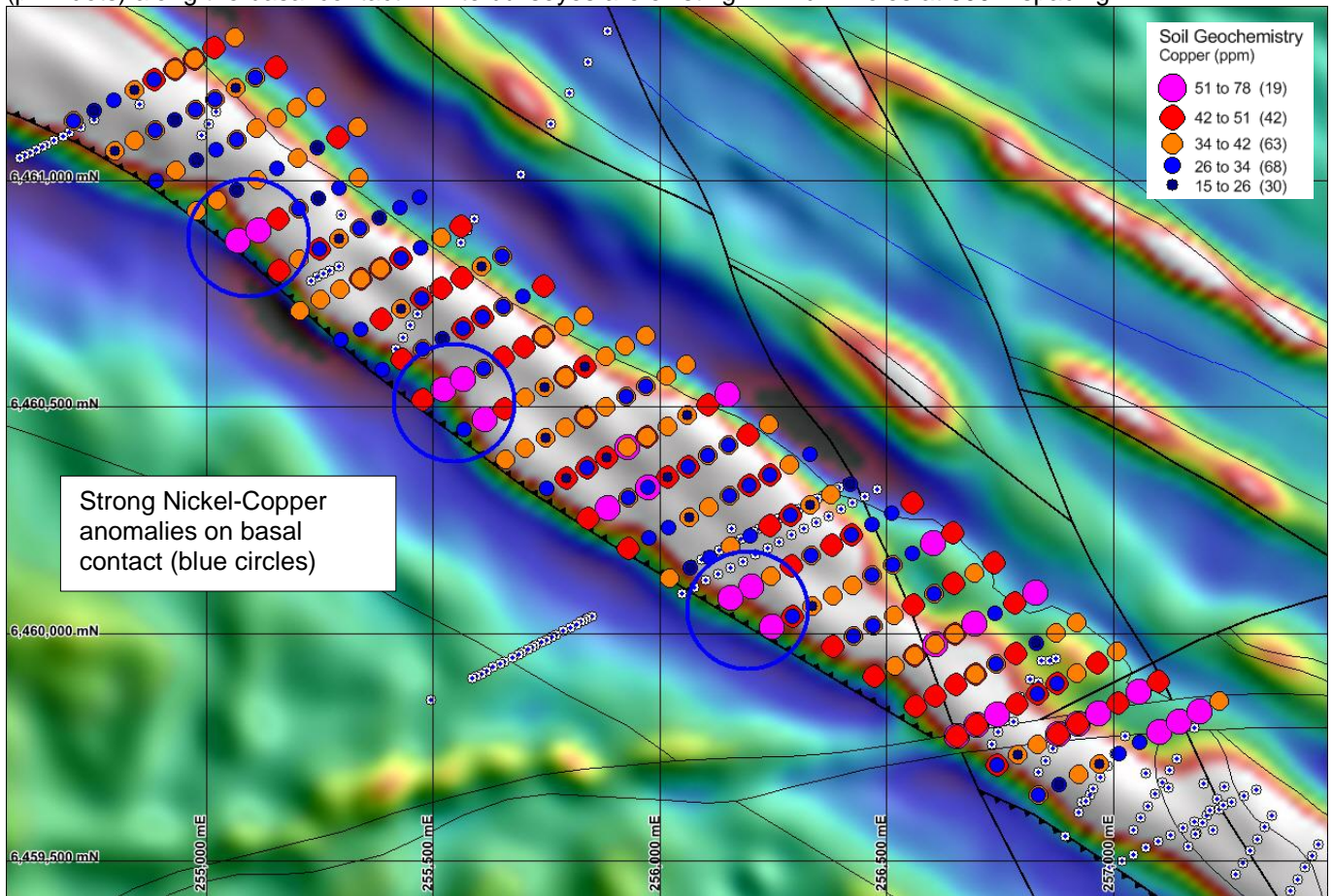
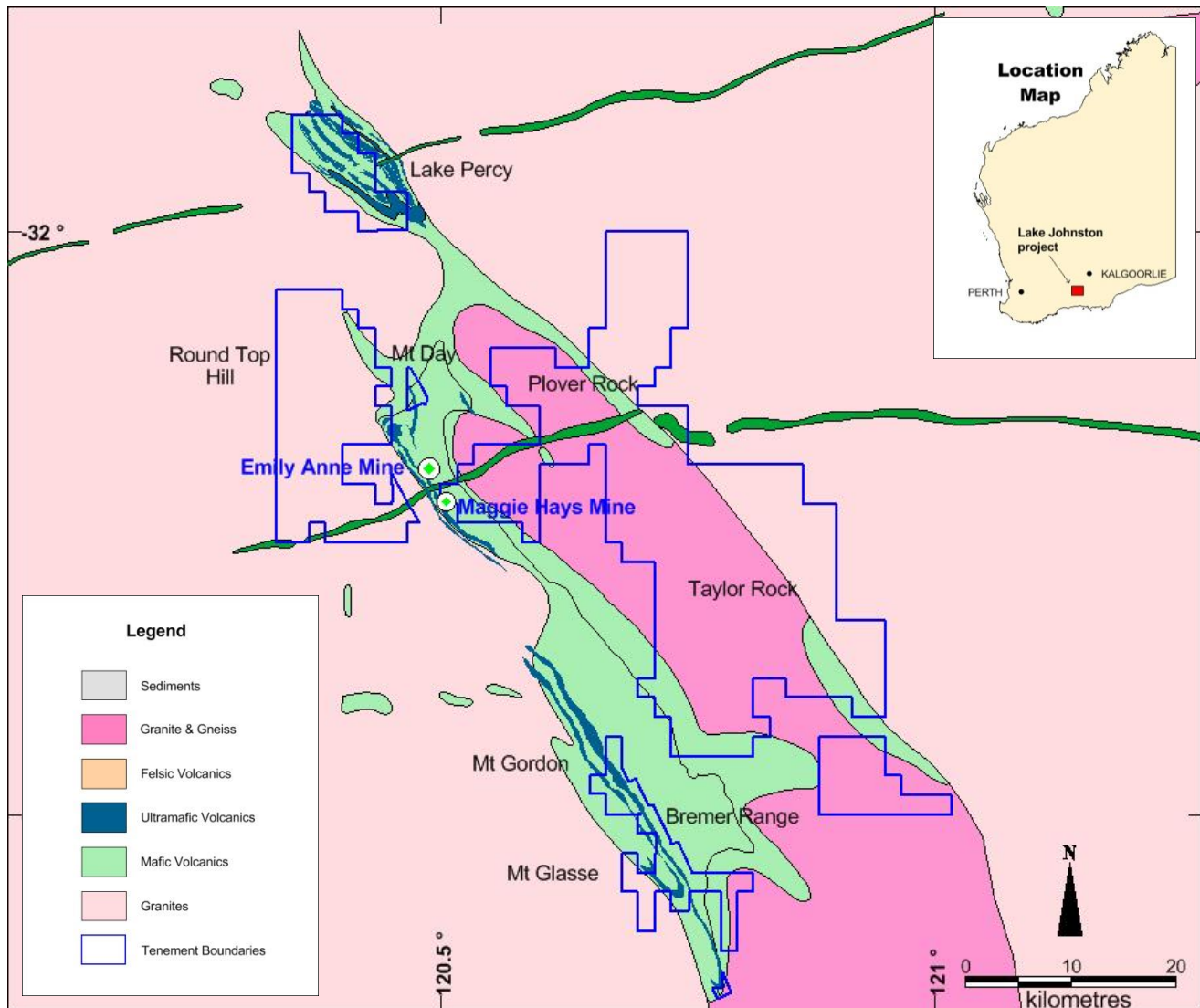


Figure 6 Lake Percy soil sampling showing high nickel and copper values along the basal contact highlighting the prospectivity of the western contact of the western ultramafic unit north of LPRC007



Location Map showing tenement holdings, mine locations and the location of the Mt Glasse and Lake Percy prospects.

3 Merolia Nickel-Copper and Gold Project (100%)¹

In June the Company completed an extensive soil geochemical survey covering the contacts of the Diorite Hill and Rotorua ultramafic complexes.

As announced (ASX Release April 29th 2014), XRF (X-ray fluorescence spectroscopy) analysis of the first 323 samples from this soil geochemical survey identified a strong **nickel-chrome-bismuth-copper anomaly** over a strike length of 800 metres on the basal contact of a mafic-ultramafic intrusion and the adjacent ultramafic unit (Figures 7 and 8). The McKenna anomaly is open along strike to the north. A second smaller nickel anomaly covering 200 metres of strike has been identified which is also open to the north. Follow up infill and extension soil sampling has recently been completed and results will be available shortly.

The remaining 1022 samples from the initial soil geochemistry survey were analysed by portable X-ray fluorescence spectroscopy (PXRF) which has revealed several additional areas along Rotorua Complex with anomalous nickel in soil anomalies.

The strongest anomaly occurs on the eastern side of the Rotorua Ultramafic unit within a wedge of ultramafic rocks folded around the nose of a felsic intrusion (Figures 7 and 9). The nickel anomaly is approximately 1.5km long and 500 metres wide and is open to the north. Further infill and extensional geochemical sampling is currently being undertaken to identify the extents of the anomalism. In addition to the anomaly, three smaller nickel anomalies with associated chrome, cobalt, zinc and copper have been identified at the southern end of the Rotorua ultramafic complex, occurring along a contact within the ultramafic units or at a contact between ultramafic and felsic units.

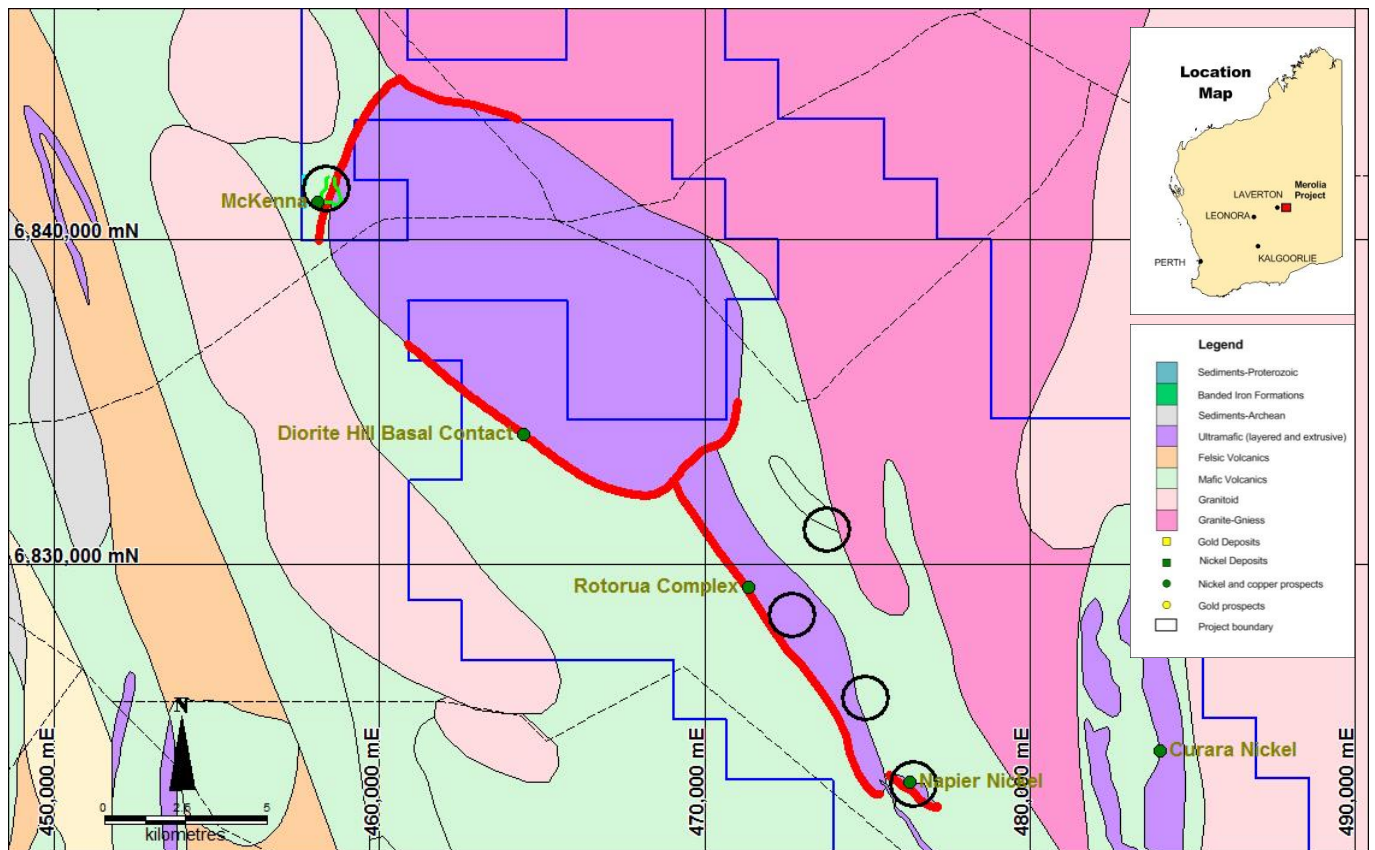


Figure 7 Merolia location plan showing the ultramafic host rocks and positions of anomalous nickel results identified to date.

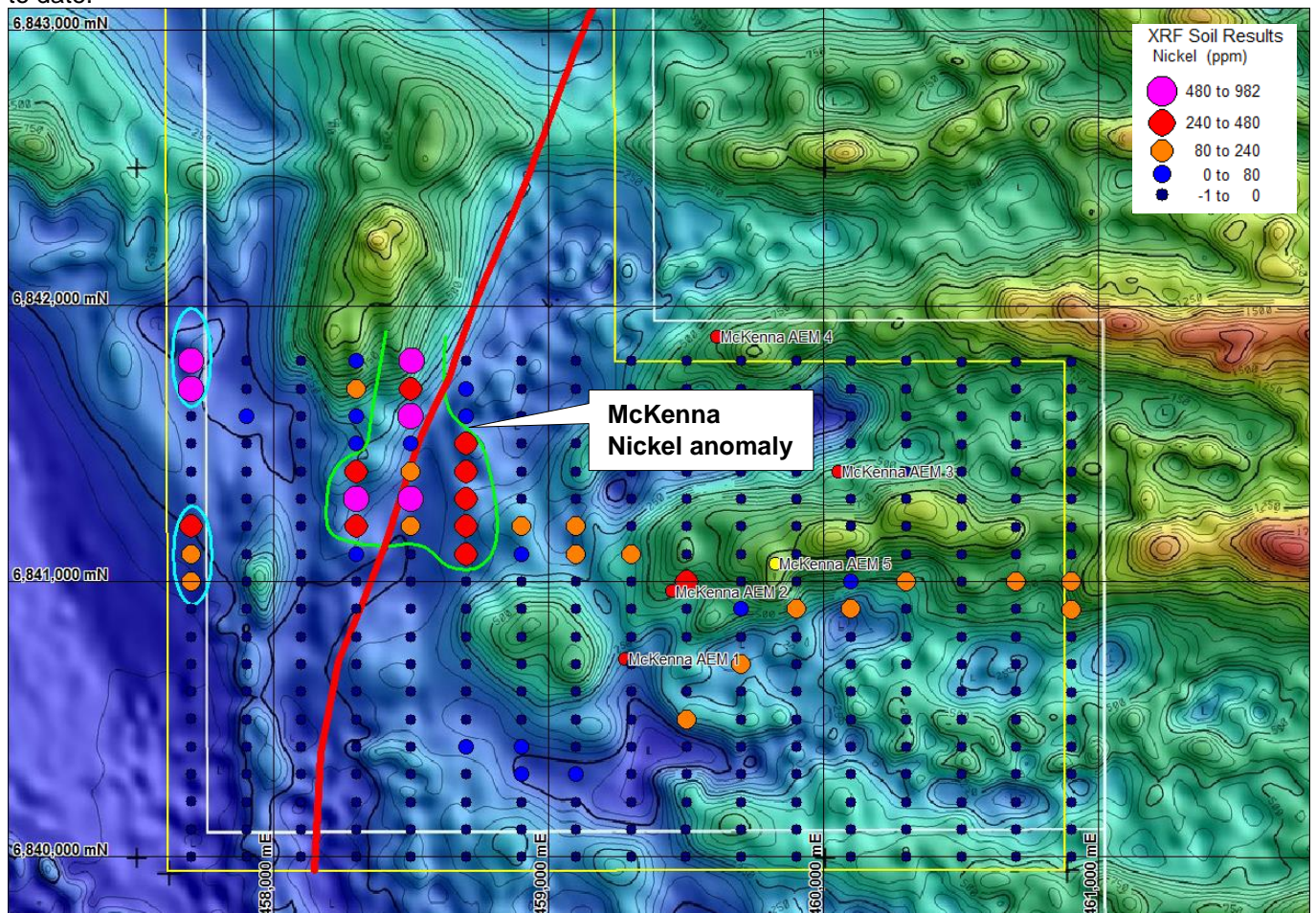


Figure 8 McKenna Nickel-Chrome-Copper-Bismuth anomaly (green outline) on the contact (red line) between the Diorite Hill layer mafic-ultramafic intrusion and an external ultramafic. Two minor anomalies are outlined in light blue with the tenement outline in yellow. Nickel has also been transported by modern drainage systems (scattered orange points) that are not considered anomalous.

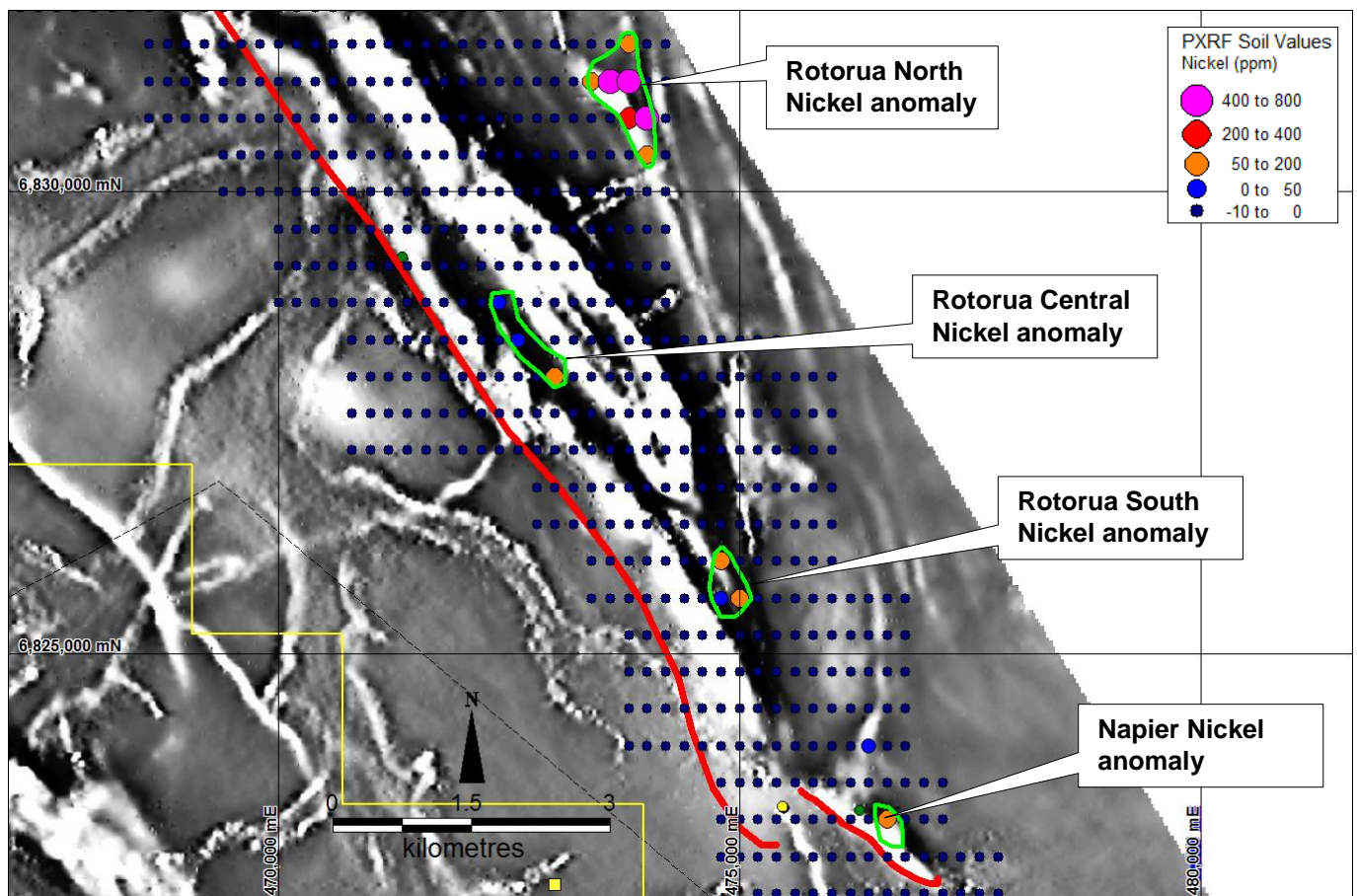


Figure 9 Nickel anomalies (green outline) showed over the first vertical derivative magnetic image. Note the lack of geochemical response over the Rotorua ultramafic unit that indicates transported cover is masking any bedrock geochemistry.

Detailed analysis of the sampling results has also revealed that a large proportion of the ultramafic rocks within the survey area have virtually no geochemical response (Figure 1). Several test pits excavated across this area indicate that transported Aeolian sands have filled in a shallow depression and covered a large proportion of the ultramafic stratigraphy. The transported cover has limited the effectiveness of the sampling method. The Company intends to test this area using low cost reverse air blast (RAB) or vacuum drilling to penetrate the cover.

4 Corporate

During the June quarter the Company completed the acquisition of an additional 32.2% interest in the Chanach Copper-gold project. The Company's interest in the Chanach Copper-gold project has increased to 88.7%.

The Company also successfully completed an oversubscribed placement to sophisticated and institutional clients of Hartleys Limited, raising \$1.2 million whilst completing a SPP that raised a further \$500,000. As a result of these capital issues the Company now has 449,049,614 ordinary shares on issue.

Subsequent to the quarter, the Company received a \$352,962 government research and development tax rebate.

5 Other Projects

The Company is undertaking an extensive review of the Company's exploration projects and is currently compiling historical data for several prospects. No field exploration was undertaken on the Company's other projects during the quarter.

6 Tenement information

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
AP590	Chanach	Kyrgyzstan	88.7%	Increased from 56.5%
E39/1479	Ghan Well	Laverton	100%	
E38/2484	Merolia	Laverton	100%	
E38/2552	Merolia	Laverton	100%	
E38/2583	Merolia	Laverton	100%	
E38/2690	Merolia	Laverton	100%	
E38/2693	Merolia	Laverton	100%	
E38/2702	Merolia	Laverton	100%	
E38/2727	Merolia	Laverton	100%	
E38/2847	Merolia	Laverton	100%	
E38/2848	Merolia	Laverton	100%	
E38/2849	Merolia	Laverton	100%	
E63/1222	Lake Johnston	Dundas	100%	
E63/1264	Lake Johnston	Dundas	100%	
P39/5262	Laverton	Laverton	100%	
P39/5263	Laverton	Laverton	100%	
E39/1585	Laverton	Laverton	100%	
E39/1586	Laverton	Laverton	100%	
E31/1015	Mt Remarkable	Leonora	100%	
E45/3250	Balfour Downs	Pilbara	100%	

About White Cliff Minerals Limited

White Cliff Minerals Limited is a Western Australian based exploration company with the following main projects:

Kyrgyz Copper-Gold Project (88.7%): The project is located in the Kyrgyz Republic, 350km west-southwest of the capital city of Bishkek and covers 83 square kilometres. The Kyrgyz project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan to western China. Mineralisation occurs as porphyry and epithermal systems developed within magmatic arcs, and orogenic type gold deposits that are structurally controlled. Major deposits located within 100km of the project contain up to 93 million ounces of gold and 25 million tonnes of copper. Initial work indicates that the project may host porphyry and skarn style gold and copper mineralisation. Drilling during 2010-2013 has identified extensive copper-gold porphyry mineralisation with copper values of up to 2.1%.

Merolia Project (100%): The project consists of 771 square kilometres of the Merolia Greenstone belt and contains extensive ultramafic sequences including the Diorite Hill layered ultramafic complex, the Rotorua ultramafic complex, the Coglia ultramafic complex and a 51 kilometre long zone of extrusive ultramafic lava's. The Intrusive complexes are prospective for nickel-copper sulphide accumulations possibly with platinum group elements, and the extrusive ultramafic rocks are prospective for nickel sulphide and nickel-cobalt accumulations. The project also contains extensive basalt sequences that are prospective for gold mineralisation including the Ironstone prospect where historical drilling has identified 24m at 8.6g/t gold.

Lake Johnston Project (100%): The project covers over 127 square kilometres in the Lake Johnson Greenstone Belt, which contains the Emily Ann and Maggie Hayes nickel sulphide deposits. These mines have a total resource of approximately 140,000 tonnes of contained nickel. The project area has excellent prospectivity for both komatiite associated nickel sulphides and amphibolite facies high-grade gold mineralisation.

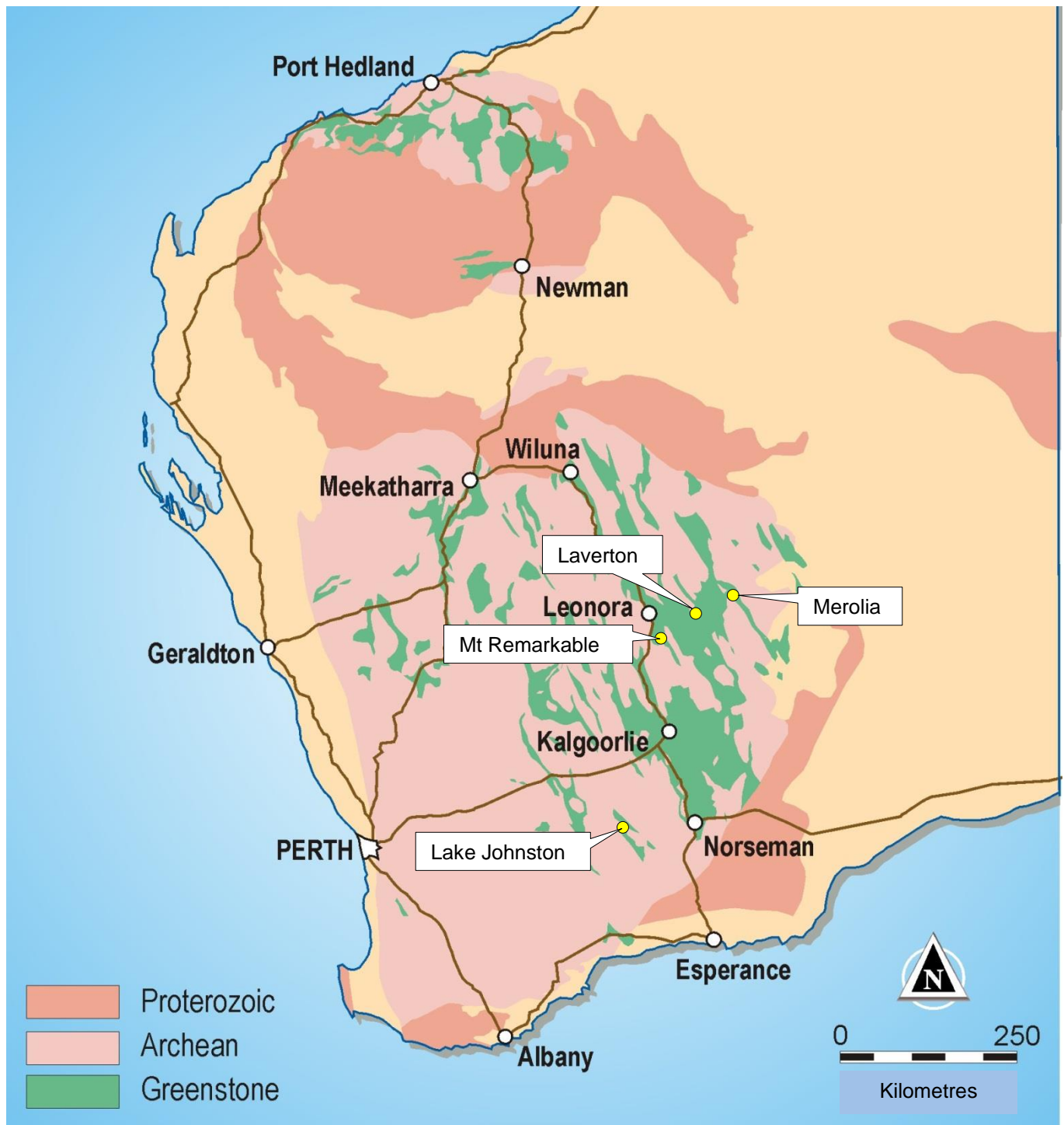
Laverton Gold Project (100%): The project consists of 136 square kilometres of tenement applications in the Laverton Greenstone belt. The core prospects are Kelly Well and Eight Mile Well located 20km southwest of Laverton in the core of the structurally complex Laverton Tectonic zone immediately north of the Granny Smith Gold Mine (3 MOz) and 7 kilometres north of the Wallaby Gold Mine (7MOz).

Mount Remarkable Project (100%): The project covers 185 square kilometres and is located approximately 170 km N-NE of Kalgoorlie and about 25 km SE of Kookynie in the Northern Goldfields. Included in the project area are the historic gold mining centres of Mt Remarkable and Yerilla which consists of several old workings. Major gold mines in the surrounding area include Sons of Gwalia, Tarmoola, Carosue Dam, Granny Smith, Wallaby and Sunrise Dam. The project includes several areas adjacent to and along strike from existing nickel deposits at Aublis, Yerilla and Boyce Creek. These deposits form Heron Resources' Yerilla Nickel Project which contains 135 Mt @ 0.77% Nickel and 0.05% Cobalt.

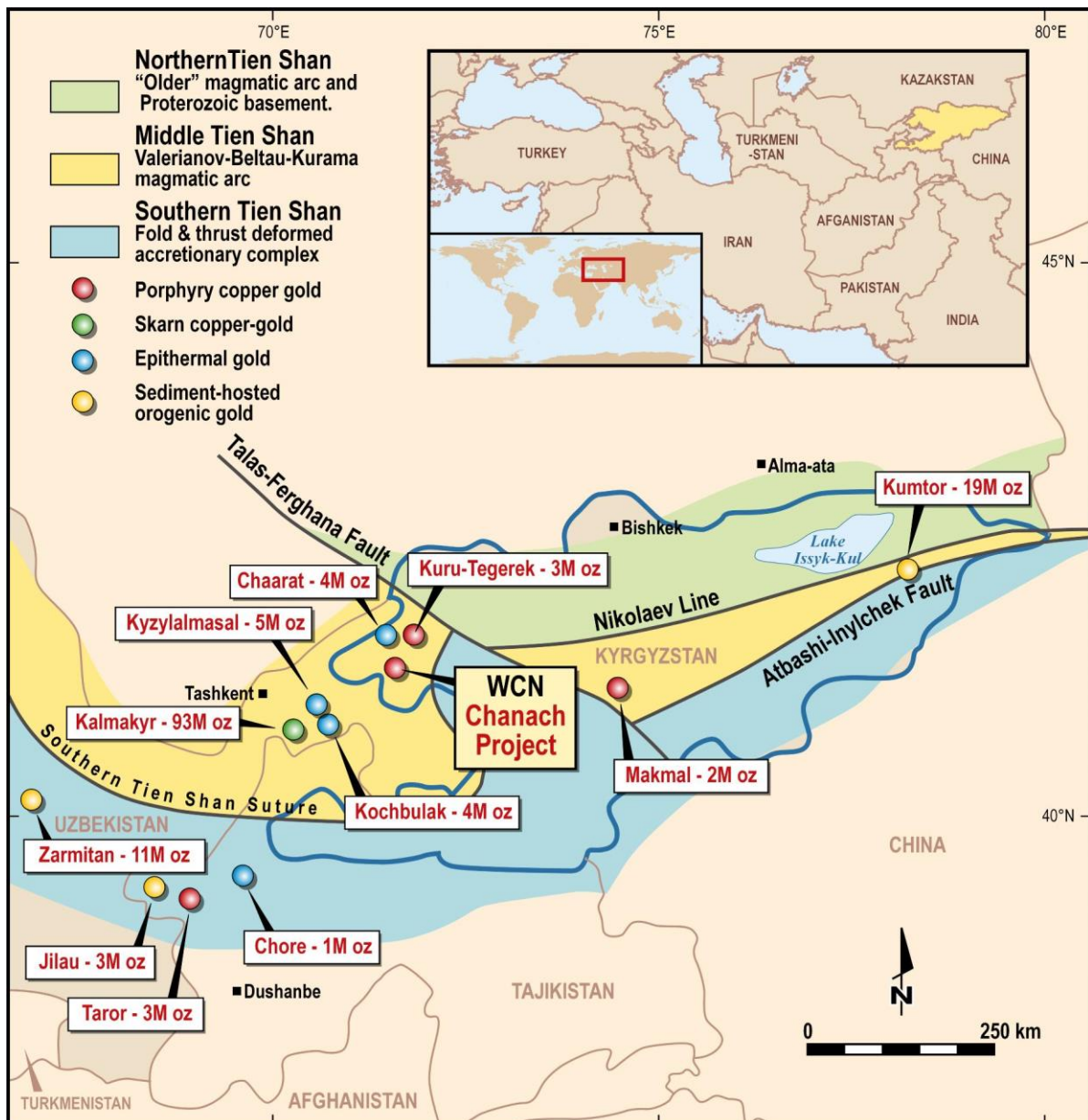
JORC Compliance

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Todd Hibberd, who is a member of the Australian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the Company. Mr Hibberd has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Hibberd consents to the inclusion of this information in the form and context in which it appears in this report.

¹ The information relating to White Cliff Minerals past exploration results at Lake Johnston, Merolia and Chanach and its assessment of exploration completed by past explorers was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.



Tenement Map - Australia. A regional geology and location plan of White Cliff Minerals Limited exploration projects in the Yilgarn Craton, Western Australia



Central Asian Tenement Map Chanach project location with regional geology with major gold deposits illustrated.

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

WHITE CLIFF MINERALS LIMITED

ABN

22 126 299 125

Quarter ended ("current quarter")

30 JUNE 2014

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	3	3
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(645) (234)	(1,159) (592)
1.3	Dividends received	5	22
1.4	Interest and other items of a similar nature received		
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other - Government drilling grant		
Net Operating Cash Flows		(871)	(1,726)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(50) (29)	(50) (29)
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		
Net investing cash flows		(79)	(79)
1.13	Total operating and investing cash flows (carried forward)	(950)	(1,805)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(950)	(1,805)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,534	1,701
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 - capital raising costs	(82)	(82)
	Net financing cash flows	1,452	1,619
	Net increase (decrease) in cash held	502	(186)
1.20	Cash at beginning of quarter/year to date	502	1,190
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	1,004	1,004

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'ooo
1.23	Aggregate amount of payments to the parties included in item 1.2	64
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

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1	Loan facilities	

+ See chapter 19 for defined terms.

3.2 Credit standby arrangements		
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Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	
4.3 Production	
4.4 Administration	100
Total	400

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4	146
5.2 Deposits at call	1,000	356
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	1,004	502

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				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	449,049,614	449,049,614		
7.4	Changes during quarter (a) Increases through issues (b) Decreases	170,490,000 73,841,667	170,490,000 73,841,667	\$0.009 \$0.01	N/a N/a
7.5	+Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases				
7.7	Options <i>(description and conversion factor)</i>	116,227,300 102,050,017	- 116,227,300 102,050,017	<i>Exercise price</i> \$0.06 \$0.03	<i>Expiry date</i> 30/9/2014 11/3/2017
7.8	Issued during quarter	92,745,015	92,745,015	\$0.03	11/3/2017
7.9	Exercised during quarter				
7.10	Expired during quarter	5,750,000	-	\$0.25	30/6/2014
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:



Company Secretary

Date: 28 July 2014

Print name: Brooke White

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.