

QUARTERLY REPORT – for the Quarter ended 30 June 2014**Image Resources NL**

ABN 57 063 977 579

ASX Code

IMA

Contact Details5 Mumford Place
Balcatta WA 6021

T +61 8 9485 2410

E: admin@imageres.com.au

W: imageres.com.au

Issued Capital*Shares – Quoted*

143,925,423

Options – Unquoted

8,800,000 (various terms)

Cash at end of quarter

\$1.288 million

Board & Management

Peter Thomas

(NED Chairman)

George Sakalidis

(Exploration Director)

Collis Thorp

(Chief Operating Officer)

Jon O'Callaghan

(Interim Managing Director)

Jeff Williams

(Non-Executive Director)

John Jones

(Non-Executive Director)

Highlights

Operational activities

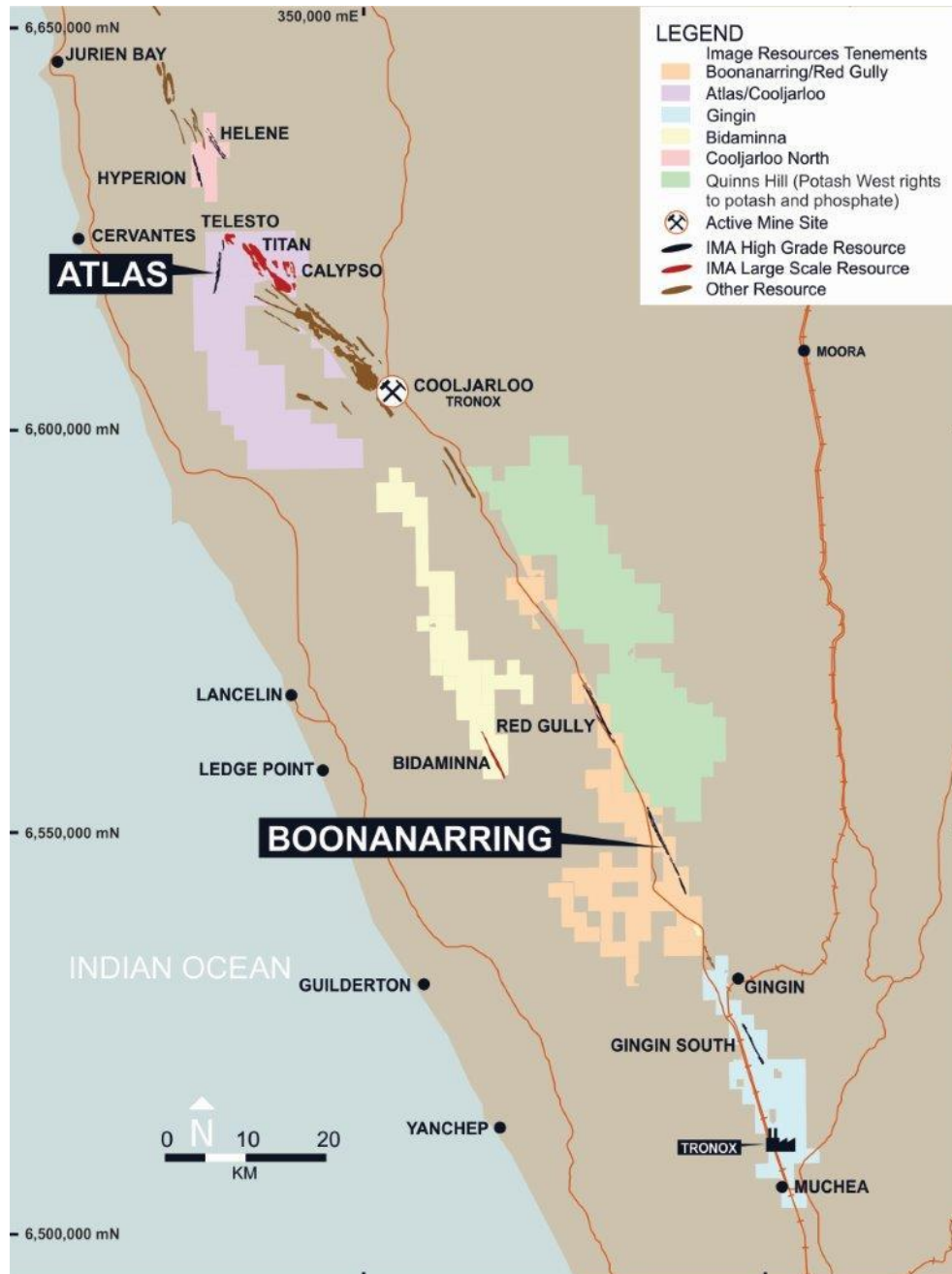
- The studies undertaken on the Boonanarring and Atlas projects partially reviewed and collation into a format suitable as a DFS of Boonanarring initiated.
- Gaps in the study identified (including required additional test work and information sourcing).
- 3,230,770 shares issued as prepayment for 21 000 metre drilling programme addresses the aspiration to expand the Boonanarring Resource by at least 500kt HM concentrate.
- Present high grade dry mining Resources of 4.5mt HM and dredge mining Resources of 11mt concentrate (refer tables 1 & 2).
- The drilling programmed was designed to initiate the testing of:
 - 30km of new dry mine targets south of Boonanarring (ASX 11 June).
 - 23km (some new) dry mine targets in and around Atlas.
 - 21.5km of dredge targets at and around Bidaminna.
- The programme objectives were set to include expanding the Boonanarring Resource by at least 500kt HM concentrate whilst delivering the potential to expand the:
 - high grade dry mine Resources from 4.5mt of HM concentrate to a target 7mt HM concentrate.
 - dredge Resource at Bidaminna to an initial target of 4mt HM concentrate from 1.3mt.
- Targets delineated during the quarter (including those announced 11 June 2014) of interest to major mineral sand producers.

Corporate

- Board restructured (and strengthened) with the addition of Messrs Jeff Williams and John Jones and upon Messrs O'Callaghan, Sakalidis and Thomas being endorsed at the shareholder requisitioned meeting.
- Management strengthened by the appointment of Mr Collis Thorp as COO, bringing a wealth of mineral sands feasibility, development, operational and marketing experience.
- Placement of 3,769,230 shares at \$A0.13 raised \$490,000.
- Issue of 3,230,770 shares at \$0.13 as pre-payment for 21,000 metres of contracted drilling.
- The Company is in discussions with numerous parties regarding synergistic opportunities for commercialising the Company's assets.

Delineation of North Perth Basin tenements into five project areas

During the quarter, the Company delineated its North Perth basin tenements into five distinct project areas. These project areas have been registered with the WA Department of Mines and Petroleum. There is at least one Resource in each of the 5 project areas and, with the exception of Cooljarloo North, each Resource has significant potential to be expanded. (Refer table 1 and 2). Whilst Image retains mineral sands rights under the Quinns Hill tenements, as Potash West is obliged to maintain them, these tenements have not been designated as a project by Image at the Department.



Review of Boonanarring Studies

A review of the base case feasibility study was undertaken and a decision to break it into 2 parts was made, the first will be a Summary Report of the Project and the second will be a Definitive Feasibility, complete with all appropriate appendices and suitable for final project funding.

The submission to the Environmental Protection Authority for the PER did not receive any public appeals against approval and is currently working through the implementation process with the Govt Departments.

Negotiations continue with various landowners for the Boonanarring project and with Native Title claimants with respect to the Atlas project

Work completed in the June quarter

Boonanarring/Red Gully

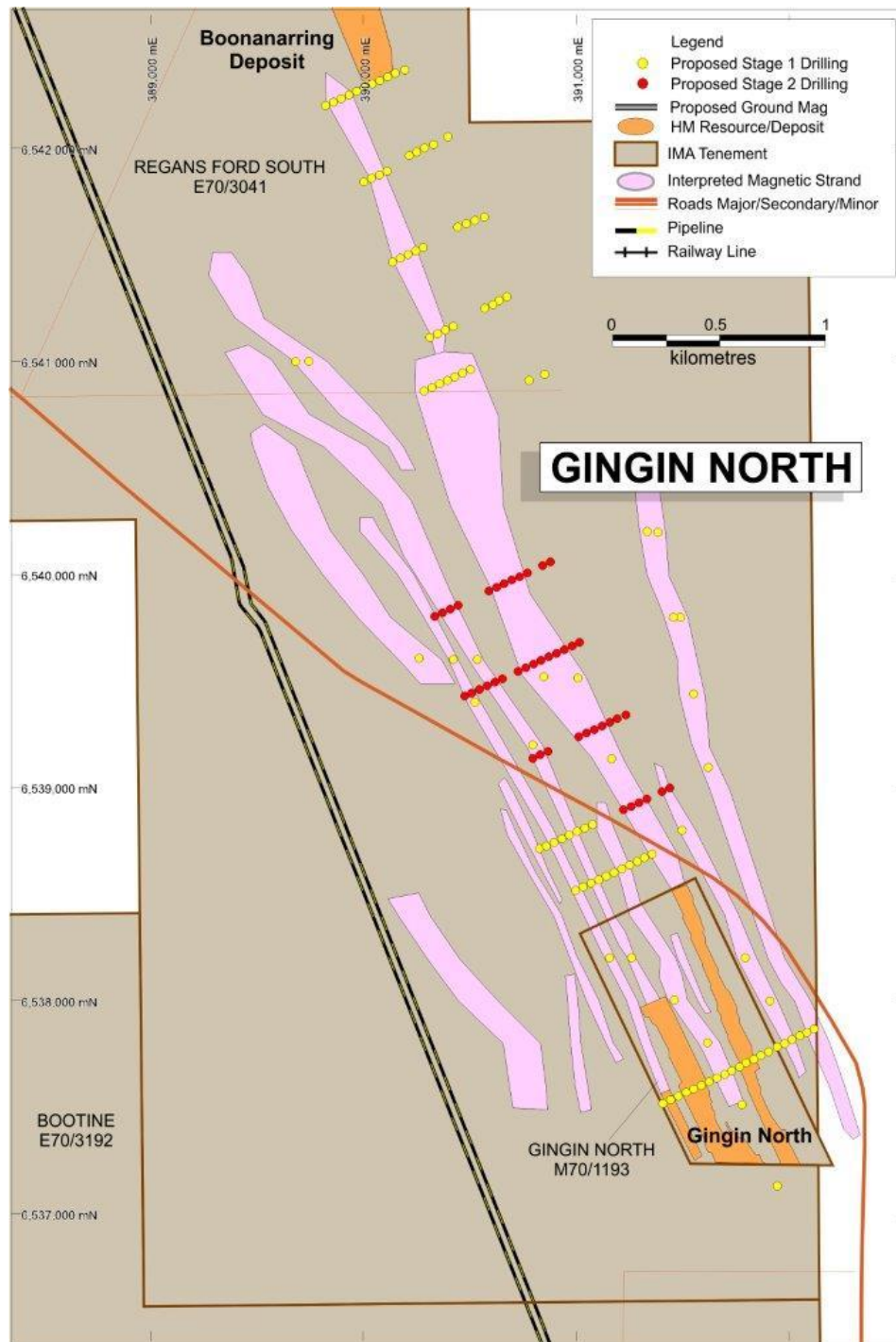
The Boonanarring Resource of 21.5Mt @ 8.3% HM covers circa 11km of strand lines and contains 1.8Mt of HM concentrate (Table 1).

ASX release of 14 January 2014 describes about 7km of untested targets north of Boonanarring. These potential extensions are significant and a further 5km of extensions continue south potentially linking up with the Gingin North Resource (Table1). These 2 target extensions are being investigated for potential to supply the Boonanarring operation with at least sufficient further tonnes of HM concentrate recommended as desirable in the current market to assist securing off-take and finance for a standalone operation. Mr Thorp, Image's COO, has previously commented that "A further 500,000 tonnes (HMC) plus resource would, in all probability, accelerate the Company in its ambition to commercialise its holdings in the North Perth Basin."

Work has been planned for the next quarter including securing further access agreements and POWs (mines department programmes of works) for drilling.

The main zone at Red Gully is a 4km strip up to 200m wide. This zone appears attractive because the previous drilling by Image and Iluka suggests the zircon mineralisation is enhanced and similar in grade to that at Boonanarring yet the depth to basement is only around 25m versus 40m for Boonanarring. Red Gully is also being investigated for potential feed stock to the Boonanarring operation. Certain potential constraints, which could partially impact up to 1.4km, are being interrogated.

Work has been planned for the next quarter including botanical surveys, POW approvals for future drill testing and a further access agreement.



Chandala/Gingin

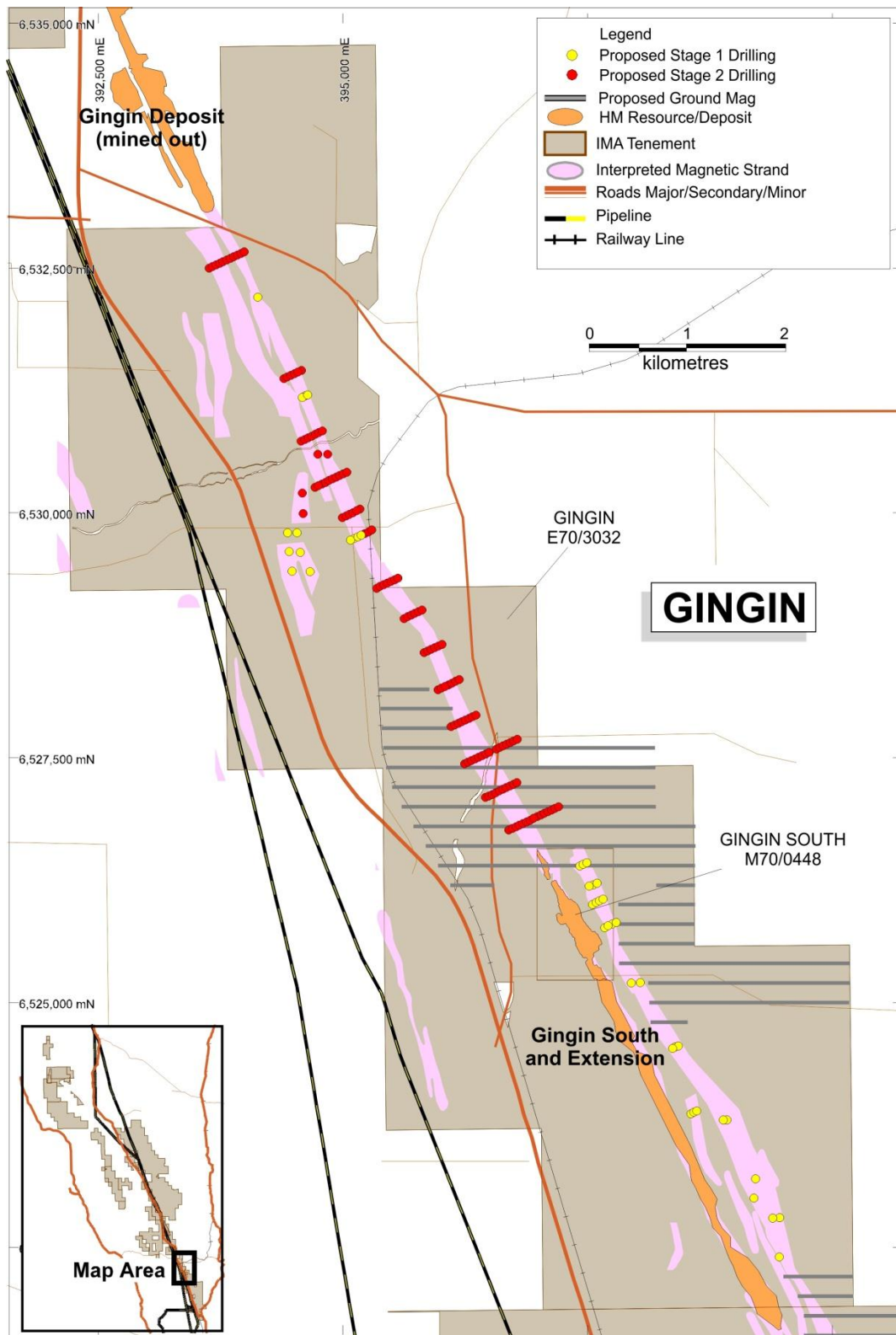
Interpretation covering Resources, previous drilling, topography and ground magnetics outlined 26km of targets. These targets include the 5.5km Gingin South deposit, which contains 8Mt@ 6.1% HM for 495,000 tonnes of HM concentrate (refer to Table 1). In addition, a parallel 13km strand is interpreted starting within the Gingin South Mining lease and trending southwards.

Work planned for the next quarter includes POW approvals for future drill testing, finalisation of access agreements and ground magnetic surveys.

Results for a small drill programme at Chandala are awaited.

The potential to deal in the Chandala to Gingin targets and Resources was (and continues to be) investigated.

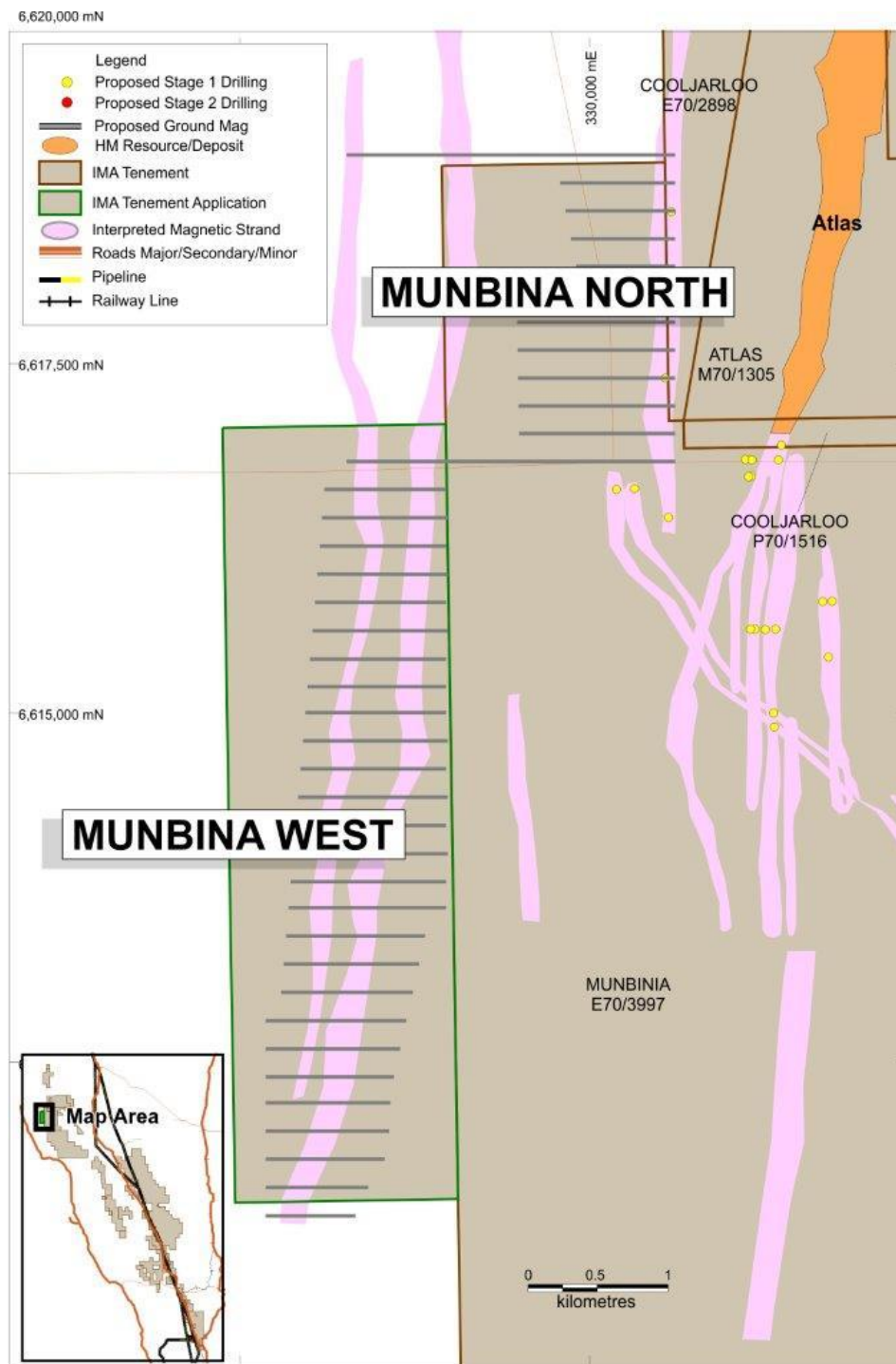
The TiO_2 levels of the Gingin South Ilmenite are suitable for synthetic rutile operations in the region with remaining targets/Resources expected to be so.



Atlas/Cooljarloo

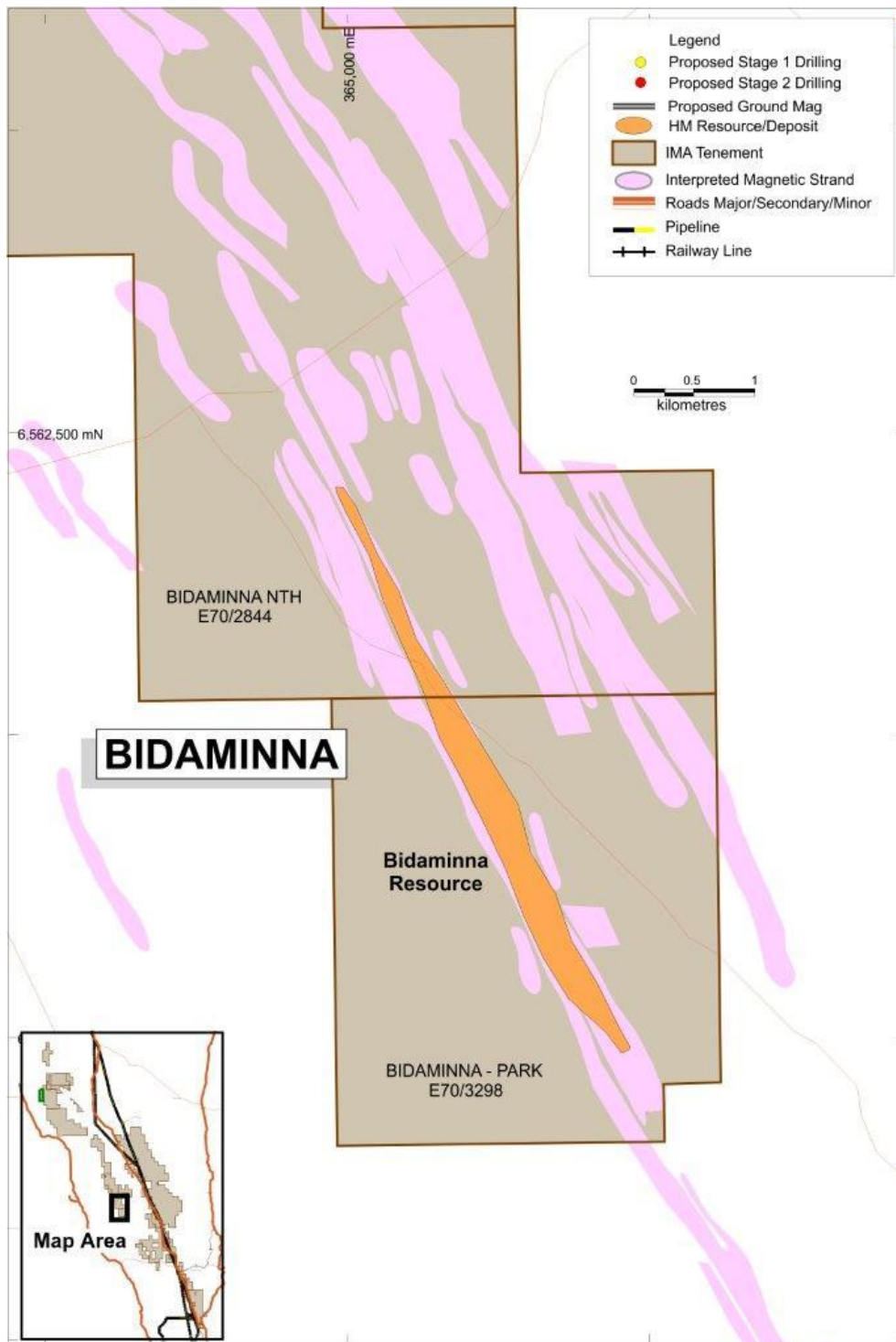
There are 15km of NS targets, some of which form part of the southern extension of Atlas. The northern parts of some of these targets have already been partially tested and shallow mineralisation has been outlined, which augers well for the remaining parts of these targets. There are also parallel NS targets to the west and within 2km of Atlas.

Ground magnetic surveys were planned over a prominent 4km feature being approximately 1.5km west of the Atlas deposit. A 26km ground magnetic survey west of Munbinia, where there is a pocket of cleared Crown land and which has an 8km of shallow looking aeromagnetic targets, is planned. This ground was recently pegged and is called Woolka Woolka.



Bidaminna

Three major target trends have been identified totalling 27km in length. The most western of these trends totals 11km and contains the Bidaminna Resource which is 5.5km in length and contains 44Mt @ 3% HM for 1.3Mt of HM concentrate (refer table 2). A 13-hole programme recently completed demonstrated that all these trends are mineralised. The two eastern strands total 16km and have now been shown to contain mineralisation from visual panning. Assay results are awaited for these programmes prior to planning any future drill testing.



Other Projects

Image's remaining targets are either less mature or currently less strategic to Image, than the targets already detailed in this report.

Funded Drilling Programme

The Company has issued 3,230,770 ordinary fully paid shares to fund 21,000 metres of drilling which will be undertaken at the North Perth Basin project. The drilling is to commence by 1 September 2014 and be completed as soon as practicable and the intent, in any event, is within 12 months. The major costs associated with the drilling programme are therefore funded with only consumables and certain variable costs to be satisfied in cash.

Commentary

The convergence of falling product prices and a rising A\$ since the publication of Image's base case feasibility study and absent an effervescent equities market coupled with unrest on the register transpired to quash any realistic prospect of near term financing the development of the Boonanarring project on the basis of existing metrics. Even in the face of these adverse events, all indications are that the project remains viable and if presently in production would make money.

Based on the Company's review, it determined to expedite its endeavour to prove up an additional 500,000t of HM concentrate to augment the Boonanarring Resource thought to be sufficient to attract long term off take parties and funding.

In these circumstances Mr Sakalidis, Director of Exploration, said "I am absolutely delighted that Image has secured an extended pre-paid drilling contract which will allow the Company to test priority targets. I think that these targets are fantastic and have the potential to support stand-alone operations, joint venture and/or other opportunities for Image's shareholders.

I regard the driller, who we have previously used over the last ten years, has global reach and has the most experience in the Perth Basin. He certainly is the best Image has ever used for mineral sands work. By taking shares, the driller has clearly signalled confidence in our plans and prospects."

For more information visit imageres.com.au

Please direct enquiries to:

George Sakalidis
Exploration Director

M: +61 411 640 337
E: george@imageres.com.au

Collis Thorp
Chief Operating Officer

M: +61 413 705 075
E: cthorp@imageres.com.au

COMPETENT PERSON'S STATEMENT – EXPLORATION RESULTS AND MINERAL RESOURCES AND RESERVES

The information in this report that relates to Exploration Results, Mineral Resources and Mineral Reserves is based on information compiled by George Sakalidis BSc(Hons) who is a member of the Australasian Institute of Mining and Metallurgy. At the time that the Exploration Results, Mineral Resources and Mineral Reserves were compiled, George Sakalidis was a director of Image Resources NL. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. George Sakalidis consents to the inclusion of this information in the form and context in which it appears in this report.

FORWARD LOOKING STATEMENTS

Certain statements made during or in connection with this communication, including, without limitation, those concerning the economic outlook for the mining industry, expectations regarding prices, exploration or development costs and other operating results, growth prospects and the outlook of Image's operations contain or comprise certain forward looking statements regarding Image's operations, economic performance and financial condition. Although Image believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

Accordingly, results could differ materially from those set out in the forward looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes that could result from future acquisitions of new exploration properties, the risks and hazards inherent in the mining business (including industrial accidents, environmental hazards or geologically related conditions), changes in the regulatory environment and other government actions, risks inherent in the ownership, exploration and operation of or investment in mining properties, fluctuations in prices and exchange rates and business and operations risks management, as well as generally those additional factors set forth in our periodic filings with ASX. Image undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Tenement Schedule in accordance with ASX Listing Rule 5.3.3

Location	TID	Status	Project	Equity at end of Quarter	Other holder
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Red Gully project C151/2011

	E70/2825	Granted	BIDAMINNA STH	IMAGE 100%	
WA	E70/3041	Granted	REGANS FORD SOUTH	IMAGE 100%	
WA	E70/3192	Granted	BOOTINE	IMAGE 100%	
WA	E70/3494	Granted	BRYALANA	IMAGE 100%	
WA	E70/3720	Granted	BLUE LAKE	IMAGE 100%	
WA	E70/3966	Granted	REGANS FORD WEST	IMAGE 100%	
WA	E70/4077	Granted	DARLING RANGE	IMAGE 100%	
WA	E70/4549	Granted	HARRIS BRIDGE	IMAGE 100%	
WA	M70/1192	Granted	RED GULLY	IMAGE 100%	
WA	M70/1193	Granted	GINGIN NORTH	IMAGE 100%	
WA	M70/1194	Granted	BOONANARRING	IMAGE 100%	
WA	M70/1311	Granted	BOONANARRING	IMAGE 100%	

Cooljarloo project C97/2007

WA	E70/2636	Granted	COOLJARLOO	IMAGE 100%	
WA	E70/2898	Granted	COOLJARLOO	IMAGE 100%	
WA	E70/3292	Granted	COOLJARLOO	IMAGE Earning 70%	Blackwood Corp 30%
WA	E70/3997	Granted	MUNBINIA	IMAGE 100%	
WA	E70/4129	Granted	MULLERING SOUTH	IMAGE 100%	
WA	E70/4130	Granted	MULLERING NORTH	IMAGE 100%	
WA	E70/4244	Granted	WOOLKA	IMAGE 100%	
WA	P70/1516	Granted	COOLJARLOO JV	IMAGE 100%	

Gingin project C71/2010

WA	E70/2742	Granted	CHANDALA (DERBY JV)	IMAGE Earned 80%	DERBY MINES 20%
WA	E70/3032	Granted	GINGIN	IMAGE 100%	
WA	M70/0448	Granted	GINGIN SOUTH	IMAGE 100%	

Bidaminna project C46/2009

WA	E70/2844	Granted	BIDAMINNA NTH	IMAGE 100%	
WA	E70/3086	Granted	GABY'S PEAK	IMAGE 100%	
WA	E70/3298	Granted	BIDAMINNA - PARK	IMAGE 90%	ARF MASLIN 10%
WA	E70/3411	Granted	REGANS FORD	IMAGE 100%	
WA	E70/4245	Granted	WINOOKA	IMAGE 100%	

Cooljarloo North project C143/2008

WA	E70/3328	Granted	Verne Hill Cooljarloo	IMAGE 100%	
WA	P70/1540	Granted	CADDA SPRINGS	IMAGE 100%	
WA	R70/0051	Granted	COOLJARLOO	IMAGE 100%	

Location	TID	Status	Project	Equity at end of Quarter	Other holder
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Other projects

WA	G70/0250	Granted	BOONANARRING	IMAGE 100%	
WA	E69/2034	Granted	SERPENTINE LAKES	IMAGE 100%	
WA	E28/1895	Granted	KING (ERAYINIA JV)	IMAGE 16.1% diluting	INTEGRA
WA	E28/2071	Granted	TALC LAKE	IMAGE 16.1% diluting	INTEGRA
WA	E52/2067	Granted	WILTHORPE JV	Meteoric 90%; Red Dog 10%	METEORIC
WA	E70/3418	Granted	BELL	IMAGE 100%	POTASH WEST
WA	E70/3100	Granted	QUINNS HILL	IMAGE 100%	POTASH WEST
WA	E70/3892	Granted	CHAPMAN HILL	IMAGE 100%	DORAL

Tenement applications at 30 June 2014

WA	M70/1305	Application	ATLAS	IMAGE 100%	
WA	P70/1520	Application	COOLJARLOO	IMAGE 100%	METAL SANDS
WA	R69/0001	Application	SERPENTINE LAKES	IMAGE 100%	
WA	E70/4572	Application	YARDARINO	IMAGE 100%	
WA	E70/4583	Application	TUTUNUP	IMAGE 100%	

Table 1 – North Perth Basin Resources

Reserve Summary											
Project Area	Category	Volume	Tonnes	% HM	% SLIMES	HM Tonnes	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Boonanarring	Probable	7,160,000	14,420,000	8.3%	17.0%	1,190,000	80.3%	46.9%	5.5%	3.3%	24.5%
Atlas	Probable	4,760,000	9,600,000	8.1%	15.5%	780,000	74.1%	55.0%	1.0%	7.0%	11.0%
Total NPB Reserve		11,920,000	24,020,000	8.2%	16.4%	1,970,000	77.8%	50.1%	3.7%	4.8%	19.1%
Mining Inventory (incl Inferred)		13,330,000	26,880,000	8.0%	16.5%	2,135,000	78.3%	50.1%	4.2%	5.1%	19.0%

High Grade Resources @ 2.5% HM Cut-off											
Resource	Resource Category	BCM	TONNES	% HM	% SLIMES	HM TONNES	VHM (%)	Ilmenite (%)	Leucoxene (%)	Rutile (%)	Zircon (%)
Atlas	Measured	4,810,000	9,700,000	8.5	15.3	820,000	76	52	5	8	11
Atlas	Indicated	520,000	1,080,000	3.2	19.2	34,000	74	53	8	7	6
Atlas Total		5,330,000	10,780,000	7.9	15.7	854,000	76	52	5	8	10
Boonanarring	Measured	1,680,000	3,000,000	7.8	10.1	230,000	70	49	1	3	17
Boonanarring	Indicated	7,000,000	14,300,000	9	17.2	1,270,000	80	49	6	3	22
Boonanarring	Inferred	2,100,000	4,200,000	6.5	17.4	270,000	83	51	8	7	18
Boonanarring Total		10,780,000	21,500,000	8.3	16.2	1,770,000	79	49	6	4	21
Gingin Nth	Indicated	680,000	1,320,000	5.7	15.7	80,000	75	57	9	3	5
Gingin Nth	Inferred	580,000	1,090,000	5.2	14	60,000	78	57	11	4	6
Gingin Nth Total		1,260,000	2,410,000	5.5	15	140,000	77	57	10	3	6
Gingin Sth	Measured	870,000	1,530,000	4.4	7.2	67,000	79	51	15	6	8
Gingin Sth	Indicated	3,240,000	5,820,000	6.5	7.1	380,000	91	68	10	5	8
Gingin Sth	Inferred	400,000	730,000	6.5	8.4	48,000	92	67	8	6	11
Gingin Sth Total		4,510,000	8,080,000	6.1	7.3	495,000	89	65	10	5	8
Helene	Indicated	5,600,000	11,500,000	4.6	18.6	520,000	84	70	1	3	11
Hyperion	Indicated	1,800,000	3,700,000	7.8	19.3	290,000	71	56	0	6	9
Cooljarloo Nth Total		7,400,000	15,200,000	5.3	18.7	810,000	79	64	0	4	9
Red Gully	Indicated	1,930,000	3,410,000	7.8	11.5	270,000	90	66	8	3	12
Red Gully	Inferred	1,455,000	2,570,000	7.5	10.7	190,000	90	66	8	3	12
Red Gully Total		3,385,000	5,980,000	7.7	11.2	460,000	90	66	8	3	12
Grand Total		32,665,000	63,950,000	7.1%	13.9%	4,529,000	80	57	6	5	13

Table 2 – North Perth Basin Reserves

Dredge Resources at 1.0% HM cut-off																
Project Area	Resource Category	Volume	TONNES	% HM	% Slime	HM TONNES	VHM %	Ilmenite %	Leucoxene %	Rutile %	Zircon %	Ilmenite	Leucoxene	Rutile	Zircon	VHM Tonnes
Titan	Indicated	10,300,000	21,200,000	1.8	22.1	380,000	84.4	71.9	2.0	1.0	9.5	270,000	7,000	5,000	36,000	318,000
Titan	Inferred	58,500,000	115,400,000	1.9	18.9	2,210,000	84.3	71.8	2.0	1.0	9.5	1,592,000	45,000	22,000	210,000	1,869,000
Titan	Total	68,800,000	136,600,000	1.9	19.4	2,590,000	84.4	71.9	2.0	1.0	9.5	1,862,000	52,000	27,000	246,000	2,187,000
Telesto	Indicated	1,700,000	3,500,000	3.8	18.4	130,000	82.6	67.5	3.4	2.2	9.5	100,000	5,000	3,000	13,000	121,000
Calypso	Inferred	27,100,000	51,500,000	1.7	13.7	850,000	84.6	68.8	3.5	1.6	10.6	585,000	30,000	14,000	90,000	719,000
Sub Total	Indicated	12,000,000	24,700,000	2.1	21.6	510,000	86.1	72.5	2.4	1.6	9.6	370,000	12,000	8,000	49,000	439,000
Sub Total	Inferred	85,600,000	166,900,000	1.8	17.3	3,060,000	84.6	71.1	2.5	1.2	9.8	2,177,000	75,000	36,000	300,000	2,588,000
Cooljarloo Total		97,600,000	191,600,000	1.9	17.8	3,570,000	84.8	71.3	2.4	1.2	9.8	2,547,000	87,000	44,000	349,000	3,027,000
Bidaminna	Inferred	26,300,000	44,600,000	3.0	3.6	1,350,000	96.0	82.4	7.2	1.0	5.4	1,113,000	97,000	13,000	73,000	1,296,000
Total Dredge		123,900,000	236,200,000	2.1	15.1	4,920,000	84.3	65.6	4.6	2.9	11.3	3,660,000	184,000	57,000	422,000	4,323,000

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

IMAGE RESOURCES NL

ABN

57 063 977 579

Quarter ended ("current quarter")

30/6/2014

Consolidated statement of cash flows

		Current quarter \$A'000	Full Year (12 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	63
1.2	Payments for		
	(a) exploration & evaluation	(400)	(2,058)
	(b) development		
	(c) production		
	(d) administration	(743)	(1,556)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	9	81
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid/R&D refund received (net)	2	1,001
1.7	Other (provide details if material)		
	Net operating cash flows	(1,132)	(2,469)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	(5)	(14)
	(b) equity investments		
	(c) other fixed assets	-	(46)
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) – bond security deposits	-	179
	Net investing cash flows	(5)	119
1.13	Total operating and investing cash flows (carried forward)	(1,137)	(2,350)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,137)	(2,350)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	490	490
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) – share issue expenses	(28)	(28)
	Net financing cash flows	462	462
Net increase (decrease) in cash held		(675)	(1,888)
1.20	Cash at beginning of quarter/year to date	1,963	3,176
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,288	1,288

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	286
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

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- 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'000	Amount used \$A'000
3.1	Loan facilities	-
3.2	Credit standby arrangements – bank guarantees	68

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	316
4.2 Development	-
4.3 Production	-
4.4 Administration	473
Total	789

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	260	335
5.2 Deposits at call	1,028	1,628
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,288	1,963

Changes in interests in mining 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 relinquished, reduced or lapsed	Refer Quarterly Report			
6.2 Interests in mining tenements acquired or increased	Refer Quarterly Report			

+ 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)	Amount paid up per security (see note 3)
7.1	Preference *securities (description)	N/A			
7.2	Changes during quarter:				
	(a) Increases through issues				
	(b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities				
	Fully paid	143,925,423	143,925,423		
7.4	Changes during quarter:				
	(a) Increases through issues - Placement	3,769,230	3,769,230	\$0.13	-
	(b) Decreases through returns of capital, buy-backs				
7.5	*Convertible debt securities (description)	N/A			
7.6	Changes during quarter:				
	(a) Increases through issues				
	(b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	Over fully paid shares	2,345,000	Not quoted	\$1.1162	18/12/2014
	Over fully paid shares	95,000	Not quoted	\$0.6995	21/12/2015
	Over fully paid shares	2,600,000	Not quoted	\$0.3908	27/12/2016
	Over fully paid shares	1,250,000	Not quoted	\$0.50	1/6/2015
	Over fully paid shares	1,250,000	Not quoted	\$0.70	1/6/2016
	Over fully paid shares	1,250,000	Not quoted	\$1.00	1/6/2016
7.8	Issued during quarter	N/A			
7.9	Exercised during quarter	N/A			
7.10	Expired during quarter	N/A			
7.11	Debentures (totals only)	N/A			
7.12	Unsecured notes (totals only)	N/A			

+ 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 give a true and fair view of the matters disclosed.

Sign here:
Print name:


.....
Dennis Wilkins (**Company Secretary**)

Date: 31 July 2014

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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