ABN 72 008 915 311

ACTIVITIES REPORT - JUNE QUARTER 2014

PARKER RANGE PROJECT

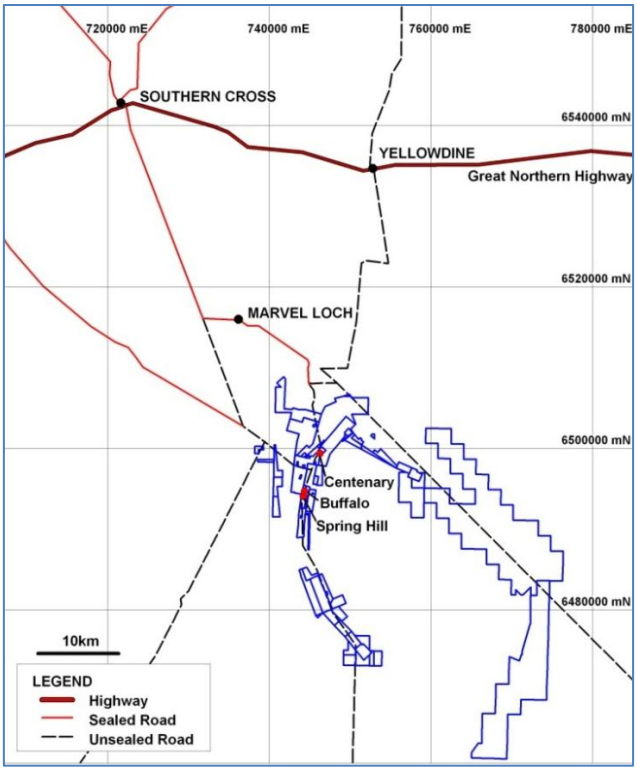


Figure 1: Location of the Parker Range Project

The Parker Range Project is located in the Southern Cross Greenstone Belt, immediately south of Marvel Loch and 80km north of Western Area's Forrestania Nickel Operations. The project area comprises exploration tenure of approximately 500 km² prospective for gold and nickel and contains numerous historic gold mines.

The Southern Cross area is a well-recognised regional mining centre offering excellent established infrastructure and a long gold mining tradition. Historic production since 1906 when gold was first discovered in the region exceeds 12Mozs of gold and 1,100,000t of nickel.

Gondwana's recent focus at Parker Range has been to transform historic gold deposits – Buffalo and Spring Hill (70% Gondwana) and Centenary (100% Gondwana) - into JORC compliant gold resources and to explore nearby historic gold prospects with the aim of increasing total resources.

In mid-2010, Gondwana was successful in discovering 40,300oz of gold at the Centenary gold project, 5km north of Buffalo. The Parker Range Gold Project, comprising the Buffalo, Spring Hill and Centenary deposits is now estimated to contain a total 91,450 oz Au Mineral Resource (*see below*).

The Marvel Loch gold treatment plant has been acquired by Hanking Gold Mining Pty Ltd and preliminary discussions with Hanking have confirmed that the mill could potentially be available for the treatment of ore produced from the Gold Project.

Gold Mining Studies

The Company has been conducting mining studies (PFS) for the Parker Range Gold Project with a view to establishing production on a toll treatment basis. The Parker Range Gold Project is a relatively small gold deposit but has the potential to be exploited for a low capital cost through the use of mining contractors and toll treatment at the nearby Marvel Loch gold treatment plant.

Following the completion of Whittle pit shell optimization studies for the Centenary, Buffalo and Spring Hill gold deposits, with positive results for all three pits, Minecomp Pty Ltd have generated pit designs, life-of-mine schedules, cash flow projections and JORC Ore Reserve estimates.

After temporarily suspending mining studies late last year, the Company has decided to recommence studies under the guidance of Craig Moulton and a support team including both personnel previously involved in the studies and new technical experts who can bring a fresh perspective.

PO Box 1819, Applecross, Western Australia 6953
Registered Office: 230 Rokeby Road, Subiaco, Western Australia 6008
Telephone:+61 8 9364 7414 Facsimile: +61 8 9346 9101
Enquiries: info@gondwanaresources.com Web: www.gondwanaresources.com

Discussions have also commenced with experienced miners who specialize in developing and mining small deposits in the Western Australian goldfields. These parties have expressed interest in a joint venture or other commercial arrangement with a view to an early start to production, at least from the oxide zones.

In Q4 2013, Capital Mine Consulting (CMC) completed an independent review of the project's economic feasibility based on production parameters, the Company's budgeted costs including quoted costs obtained from independent mining contractors, cartage contractors and suppliers. CMC's report broadly supported and confirmed the Company's projections, noting that although relatively small, the Parker Range Project appears to have positive economics and the completion of the recommended work could further enhance project robustness.

Planned future work

The following new work is proposed to advance to a revised reserve and possible development:

- A firm estimate for toll treatment rates is to be obtained.
- Geotechnical analysis may require to be be undertaken on the Centenary deposit to ensure the current assumptions are valid.
- The mine design and schedule will be refined and discussed with preferred mining contractor to form the basis of the contract and to provide definitive costs to confirm project viability.

At the same time, the following opportunities to improve or provide upside for the project exist:

- With further drilling, the Inferred Resources may be converted to Indicated category and add to the life and/or production rate of the project. The ore shoots do not appear to be closed at depth or down plunge.
- Further exploration of nearby tenements may add to the inventory.
- Although the resource grades are not generally supportive of underground mining, the historical mining at Centenary recovered average grades of 16 g/t which may suggest a high grade core.
- The Spring Hill deposit has not been reviewed as part of current studies, but may be included in the new studies. This deposit could be used to add to project duration or to increase throughput to improve operating efficiencies of the plant.

Note on Mineral Resource Estimate

Details of the estimate and the parameters were summarised in the Company's ASX release entitled "Activities Report for June Quarter 2012".

The information contained in this Mineral Resource summary replicates information contained in the Company's Activities Report for June Quarter 2012.

The Competent Person is not aware of any new information or data that materially affects the information included in the Activities Report for June Quarter 2012, in the case of mineral resources that all the material assumptions and technical parameters underpinning the estimates in the Activities Report for June Quarter 2012 continue to apply and have not materially changed. The form and context in which the findings of Activities Report for June Quarter 2012 are presented have not been materially modified.

Competent Person Statement

The information in the Independent Geological Report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by the Company and reviewed by Malcolm Castle, a competent person who is a Member of the Australasian Institute of Mining and Metallurgy ("AusIMM"). Malcolm Castle is a consultant geologist employed by Agricola Mining Consultants Pty Ltd. Mr Castle has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken 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" ("JORC Code"). Malcolm Castle consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Northern Group

The Northern Group is located between the Southern Star gold mine and the Great Victoria gold mine at Marvel Loch.

Toomey Hills Group

The Toomey Hills Group tenements are located about 1 km from the north-eastern margin of the granite dome contact. Gold has been previously mined from the Toomey Hills area with production estimated at 3,180 oz of gold from 3,400t of ore.

The Toomey Hills gold mines, immediately east of this group, are located along the Groper shear zone with a foliation striking 290-310° and dipping 60-80° towards the north-east. Gold-bearing quartz veins are intercalated within the shear zone, generally along lithological contacts. This brittle ductile shear zone extends through the tenement, clearly offsetting earlier structures and remains poorly tested. An example of historic gold mineralisation in this group is from Gascoyne and Orion aircore drill hole JSAC132, which intersected 4m @ 7.9g/t from 46m including 1m @ 27 g/t Au1.

The Toomey Hills mine shafts and the Groper mine shaft are located along an interpreted shear zone. A possible correlation to a siliceous shear zone running over 6km warrants testing, targeting high grade shoots along the structure, especially in areas with shallow cover.

Dulcie Group

The Dulcie tenements contain shallow gold mineralisation at Langley Central under an old laterite gold mine. Drilling has intersected up to 11g/t Au, with mineralisation open. The Langley central gold project operated in the mid-1980s and mining ceased in 1988. Thames Mining mined the laterite from 2m to 5m depth, and their historic reports outline further mineralisation. The mined area was a surface expression of quartz veined shears within a BIF or iron rich amphibolite unit2.

Gondwana has identified significant undrilled potential in this tenement group along the magnetic BIF unit, which also hosts the gold at Dulcie and Cheritons gold mines. A drill program is planned to test the BIF for gold mineralisation.

The Intrepid Pig prospect is located along the western margin of the Dulcie Group tenements and has gold in historic drilling which remains open. Drill hole FDUP003 intersected 7m @ 1.65 g/t from 37m, and 3D assessment of this mineralisation showed that it is open and an immediate exploration target3. A drill out of the down dip extension of the BIF is proposed, with Gondwana having confirmed the remnant mineralisation was still in-situ with a single drill traverse in 2006.

Eastern Group (East Parker Dome)

The Eastern Group comprises two tenements east of the Parker Granite Dome. Within the southern tenement is gold mineralisation at the Milky Way East prospect in an area that may also hold untested copper potential. The Milky Way East mineralisation was discovered in the late 1980's and occurs within a gabbro adjacent to the sheared boundary between a gabbro and the central sediment package. The area has been recognised on broad 400m line spaced drill results and mineralisation extends over 800 metres).

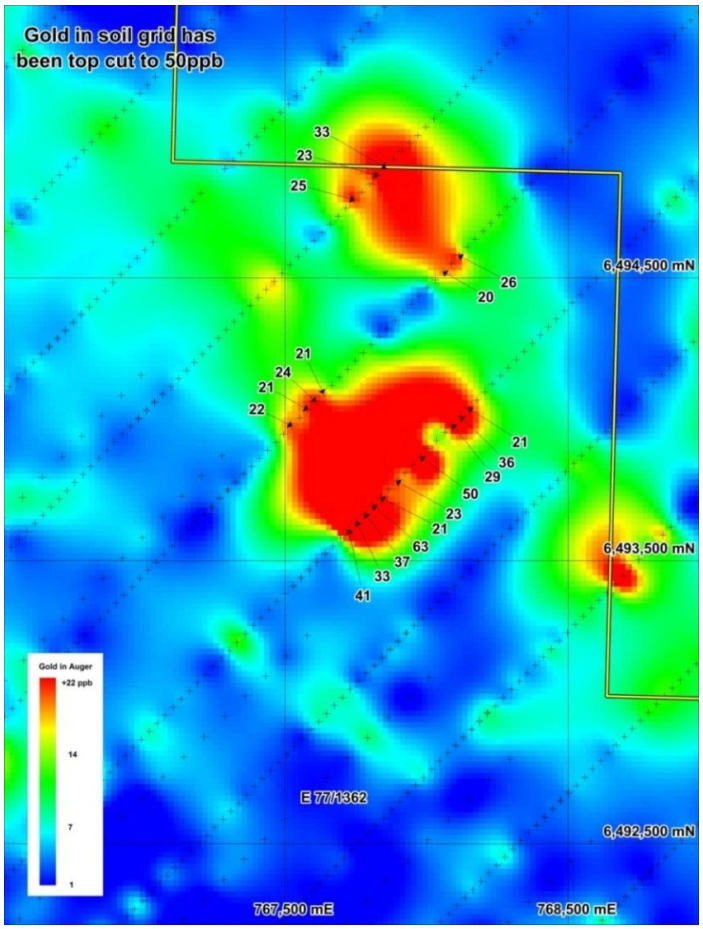
The gold mineralisation is open towards the south where it is covered by thick deposits (20m) of transported red clay, sand and alluvial grits which mask bedrock gold mineralisation in soil. Drill hole MNP013 in the southernmost drill line intersected 5m @ 1.235 g/t Au from 65m. Drill hole MN003 intersected 3m @ 1.2 g/t Au from 57m and is located on the next drill line approximately 400m north of MNP0134.

1 WAMEX report A66895: Golden Rod Project 2003; Author A Mukherji for Gasgoyne Gold Mines NL/Orion Resources NL

2 WAMEX report A37134: Langley Central - Parker Range Progress Report 1989; Authors P Mather/M Kellow for Gwalia Minerals NL and Kia Ora Gold Corp Ltd

3 WAMEX report A56331: Intrepid Pig - Combined Report 1998; Authors – J Poulsen and D Hutton for Forrestania Gold NL

4 WAMEX report A26572: Milky Way East – Annual Report E77/85 1988; Authors J A Chellew/T Standish for



A shear zone contact with the gabbro showing gold mineralisation is thought prospective for copper as past assaying did not include analysis for copper.

Auger soil data was digitised from the 1980's geochemistry plans and then combined with digital auger soil survey data from the northernmost tenement in this group, the Boodarding Rock prospect. The survey results are shown in Figure 2.

High gold in soils were cut to 50ppb so the data could be compared around the eastern margin of the Parker Dome. Significantly, a +20ppb gold soil response was identified in the Boodarding Rock tenement and this has yet to be drill tested5.

An infill drill program and ground geophysical survey is planned.

Figure 2: Gold in auger soil image of Boodarding Rock prospect, top cut to 50ppb

Forrestania

The Forrestania project (exploration licence application) contains an unmined gold-bearing laterite, from an historic prospect referred to as the Blue Turtle prospect. No drill logs can be located but the drill locations are noted on plans.

Open file report A24752 refers in the text to primary gold mineralisation at the Blue Turtle prospect up to 3m @ 6.6g/t from 9m with 3 to 6m of laterite pisoliths above grading up to 1.28g/t6.

Shallow drilling on 100m spaced lines either side failed to delineate any continuity. In this area, depletion zones combined with near vertical gold shoots in the unweathered basement are often beneath near-surface oxide mineralisation, and it appears no deep RC drilling has been undertaken at this prospect. Multiple E-W trending dykes at this location have disturbed the N-S stratigraphy and mineralisation may be locally folded or remobilised, so could be trending oblique to the E-W drill lines. Gold mineralisation could potentially be around 150m in strike and may be related to a vertical or sub-vertical plunging shoot.

EAST PILBARA PROJECTS

Corunna Downs and associated tenements

Atlas Iron Limited (Atlas, ASX:AGO) acquired these tenements from Gondwana in April 2013. As well as a royalty on all minerals extracted, Gondwana retains a royalty of $1.13 per tonne for all iron ore sold in relation to these tenements, and will receive a fee of $0.20 per tonne in excess of 2 billion tonnes of independently verified JORC compliant iron ore reserves.

Aztec Mining Company Ltd

5 WAMEX report A57886: Boodarding Geochemical Results - Boodarding Project 1998; Author J M Westaway for Gasgoyne Gold Mines NL/Orion Resources NL

6 WAMEX report A24752: Blue Turtle – Annual report on Mt Holland E77/23 1988; Author Metals Exploration Limited

On 9 December 2013, Atlas announced an initial exploration target at Corunna Downs of 100-150Mt at 55-58%Fe (refer to Atlas' ASX announcements for further details).

Gobbo's Copper-Molybdenum Prospect (E45/3326)

This tenement contains the Gobbo's Prospect with Copper and Molybdenum mineralisation being discovered in diamond drilling (from 1980). A detailed aeromagnetic survey completed by Gondwana identified a demagnetized zone and Copper-Molybdenum mineralisation was found in the creek bed during follow-up work.

Continuing the Company's corporate strategy of rationalising existing assets, it was announced on 4 December 2013 that the Company had entered into an agreement with Platypus Minerals Ltd ("Platypus", ASX:PLP) to farm out tenement E45/3326 on the following terms: -

a. Platypus has the option to sole fund $500,000 on Exploration Expenditure within a maximum of three years from signing, to earn a 51% legal and beneficial interest in the Tenement. At this stage Gondwana would retain 39% and Adelaide Prospeting Pt Ltd would retain 10%.

b. Platypus would then have the option to sole fund a further $500,000 on Exploration Expenditure, within a maximum of a further three years from the date of earning its 51%, to earn an additional 24% legal and beneficial interest for a total 75% interest in the Tenement. At this stage Gondwana would retain 15% and APPL would retain 10%.

c. Subsequent expenditure would be on a pro-rata joint venture basis by Platypus and Gondwana, subject to dilution by industry standard formula. APPL would remain free carried to completion of a feasibility study.

d. Should any party's interest fall below 5%, then that party's interest would convert to a 2.5% royalty on gross sales on all metals produced from the Tenement.

e. At any time after Platypus has earned its 75% interest, Gondwana has the right to convert its remaining interest to a 2.5% royalty on gross sales on all metals produced.

f. Platypus to incur Exploration Expenditure of a minimum of $100,000 within 12 months before it can withdraw without penalty. If Platypus withdraws before, then, unless previously agreed otherwise in writing by Gondwana, Platypus will be automatically deemed to have withdrawn and the balance of the $100,000 will become payable in cash to Gondwana.

Panorama prospect

The Company entered into an agreement with Atlas Operations Pty Ltd, a subsidiary of Atlas Iron Limited (ASX:AGO), to sell the whole of its 90% interest in exploration licence E45/4110, referred to as the Panorama Prospect for $200,000.

The exploration licence was granted on 4 June 2013. It is located at the southern end of the Coongan Belt in the East Pilbara, WA. Since grant, the Company has carried out preliminary investigations on the tenement, including a detailed review of the Company's database, which was compiled from historic geochemical sampling, and re-interpretation of geophysical data derived from the Company's previous aeromagnetic surveys. The tenement is considered prospective for iron, gold and other minerals. However, in keeping with the Company's published strategy, to reduce expenditure commitments tenements in the Pilbara and elsewhere are being farmed out or sold, wherever possible. The Company has retained a royalty on gross revenue from iron ore, gold and other minerals produced from E45/4110.

The principal terms of the agreement are as follows:

- Consideration of $200,000 payable on settlement;
- Gondwana to retain a royalty of 1% of gross revenue from iron ore and other minerals mined and sold; and
- Atlas to assume obligations to Adelaide Prospecting Pty Ltd in respect of Adelaide's free-carried 10% interest in certain of the tenements.

Other Pilbara tenements

The Company has retained a 90% interest in exploration licences and applications, ELA45/3956 and E46/1026, which are considered prospective for gold, copper and other minerals.

GASCOYNE PROJECTS

Uranium

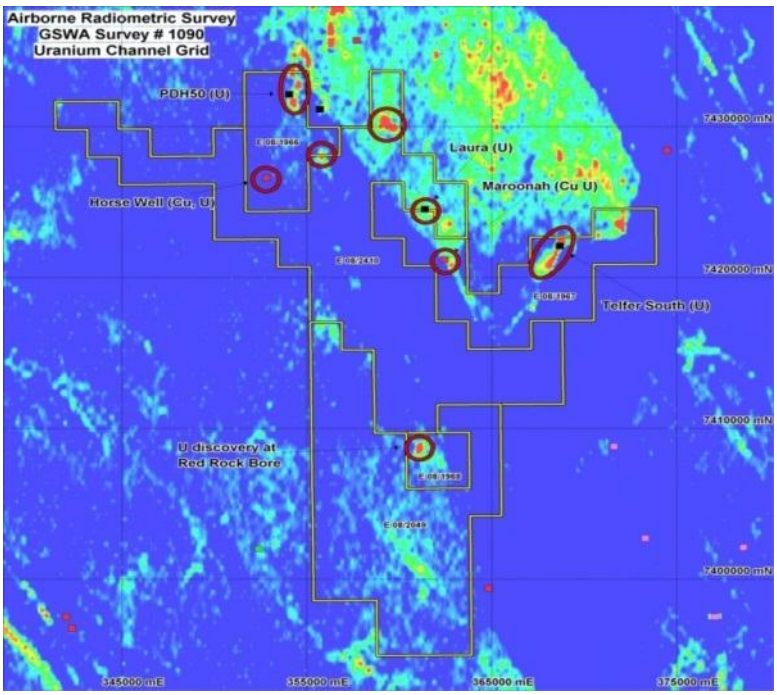


Figure 3: Uranium prospects identified by airborne radiometric survey

Gondwana holds a 100% interest in exploration licences in the Gascoyne/Ashburton region of Western Australia which have been selected for uranium exploration using regional airborne radiometric surveys and the Mindex database of uranium occurrences.

Red Rock Bore (E08/1968, 2049)-Horse Well (E08/1966)-Mt Padbury (E08/1967)-Horse Well South (ELA08/2410)

These five tenements have been combined into a contiguous block covering 441km^2 *(see figure 3).* The most prospective of the targets in the group is Red Rock Bore, where airborne radiometric anomalies are associated with a uraniferous granite at/adjacent to a Lower Proterozoic unconformity.

Red Rock Bore exploration is aimed at evaluating a high-tonnage, low-grade (nominally 0.03-0.05% U or 300-500ppm) granite-hosted uranium deposit.

Rock chip and channel sampling completed in 2011 indicates radiometric anomalies are associated with supergene enrichment in weathered exfoliated granite dated at 1681±10Ma. The granite straddles the Lower-Middle Proterozoic unconformity, a highly prospective feature in uranium geology.

A revised Radiation Management Plan (RMP) was completed shortly after the end of the quarter and this will be submitted to the Department of Mines and Petroleum. Once approved, the Company will undertake the next phase of exploration at Red Rock Bore to test a number of surface radiometric uranium and geological anomalies.

Rare Earths

Mick Well and Ted Well (E09/1614-15)

Application was originally made for the Mick Well tenement for uranium exploration in 2009. In 2012, a radiometric and magnetic survey was flown across the area. This survey has since been interpreted along with earlier geochemical prospecting results. Reconnaissance rock chip samples were taken prior to the airborne survey and focused on delineating near surface uranium mineralisation. A single rock chip contained a number of rare earths from a small, covered pegmatite near Ted Well, justifying additional research which has now been carried out specifically for Rare Earth Elements (REE).

Many of the rare earth deposits around the world are located in Pegmatite or Alaskite rocks – a felsic granite variant containing a variety of minerals such as Xenotime and Monzonite (thorium group elements).

In 1977 Esso mapped a radiometric hot Granodiorite with Alaskites across the Mick Well area. Microscope work on a rock chip sample number 151 was classified as an Allanite Granite. This rock contains an estimated 20% metamict allanite by visual estimation.

REE mineral assays have not been taken from this granite because rare earths were not commonly known in pegmatite variants until the 1980's after the Greenbushes pegmatites were discovered. Allanite minerals contain up to 20% rare earth elements and are one of the most valuable sources of REE.

Sample 151 has been classified as a biotite metamict-allanite quartz microcline rock or an Allanite Granite. This rock contains a visual estimated 20% metamict allanite. Monazite and possibly xenotime are in 3% of the thin section area7.

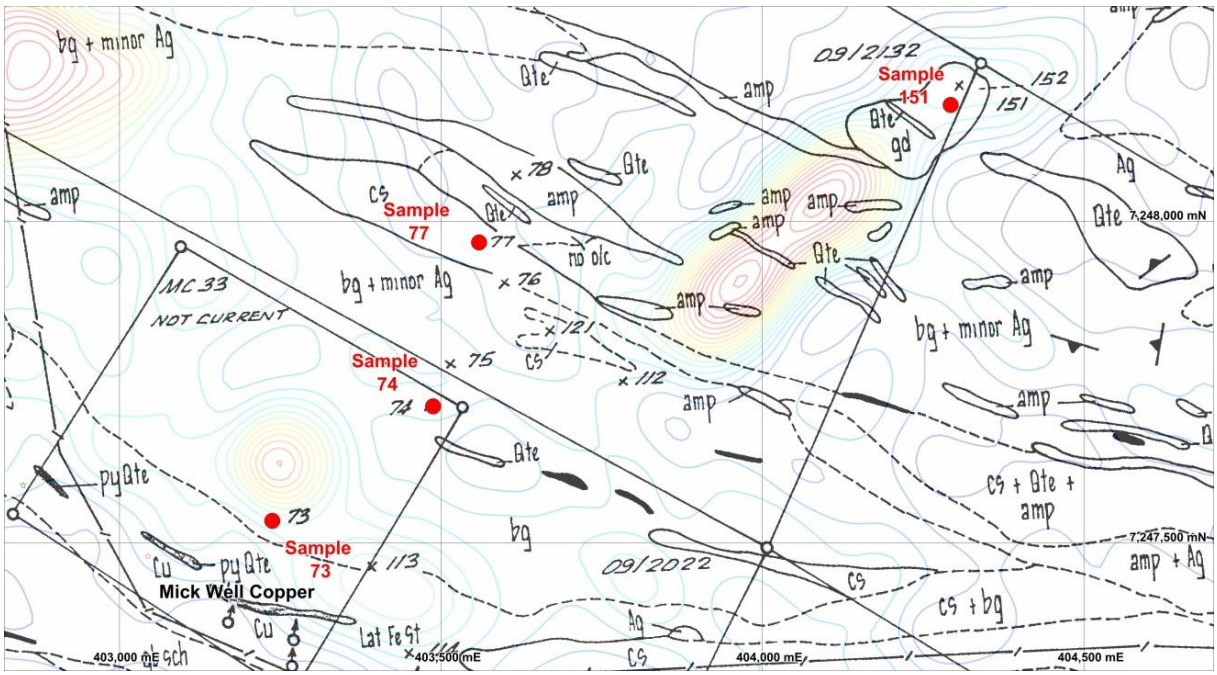


Figure 4: Thorium contours on 1977 Esso geology map shows samples 73-74-77-151

A 300m long, 120ppm Thorium anomaly is identified 1,400m to the north east of the Mick Well copper occurrence (in Figure 4), and striking across the geology in a north east direction. This thorium anomaly is located immediately south west of Esso sample 151

Thorium Radiometric Targets

The 100m line spaced airborne radiometric / magnetic survey delineated a number of strong thorium dyke-like responses. Some of these dykes are strong on all radiometric channels and some are more subtle, related to thorium only responses. The site of the covered Ted Well pegmatite dyke previously sampled in the creek bed will be tracked on the ground.

The following map shows the contours of airborne thorium anomalies, with the green symbols being thorium targets and blue uranium targets requiring rock chip sampling. The zone of the Mick Well anomalies is seen on the far east of multiple, the targets being in possible dykes trending in WNW orientation parallel to the hills.

A field exploration programme is planned for the current quarter.

7 WAMEX report A7420: Gascoyne Rare Earths - Annual Report for Mombo Creek 1977; Author S H Robinson for Esso Exploration and Production Australia Inc

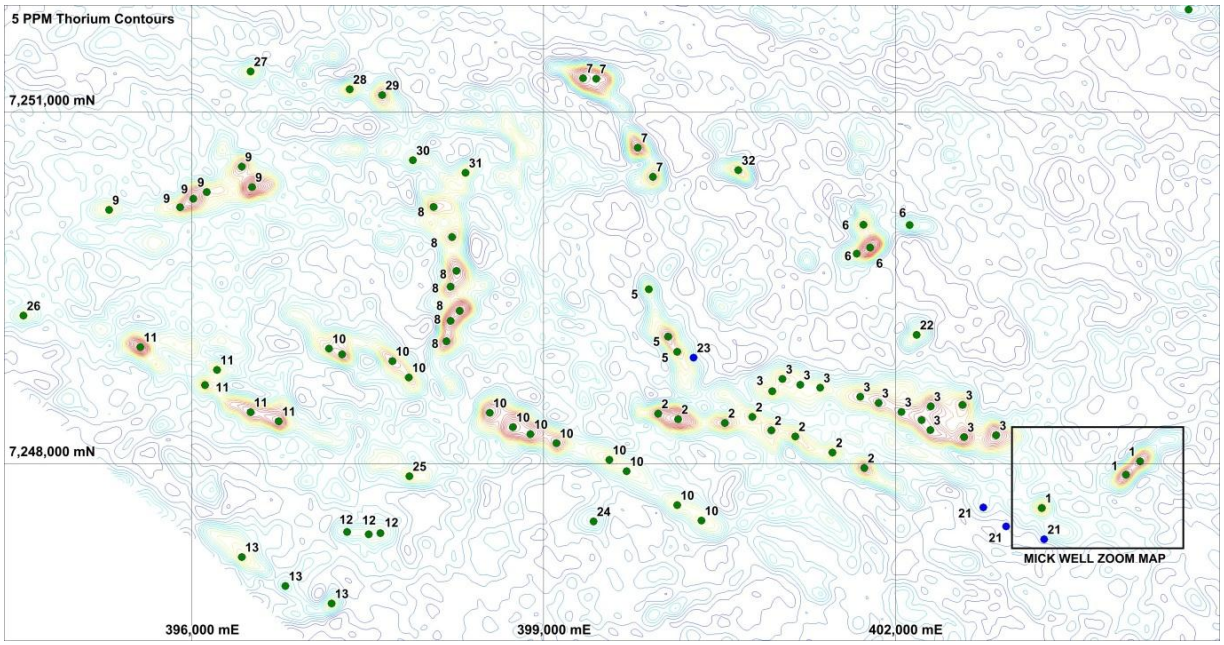


Figure 5: Thorium Contours (5ppm) with targets for sampling & zoom of area

COMPETENT PERSON STATEMENT

The information in this Report that relates to Exploration Results is based on information compiled by the Company by Mr Grant Donnes, a competent person who is a Member of the Australian Institute of Geoscientists. Mr Donnes has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken 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" ("JORC Code"). Mr Donnes consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

See also the Competent Person Statement on Buffalo, Spring Hill and Centenary Mineral Resource Estimates on Page 4 of this Report.

Contact

For further information please contact the Company on (08) 9364 7414, email info@gondwanaresources.com or visit the website at www.gondwanaresources.com.

Paul Goodsall
Company Secretary
31 July 2014

APPENDIX

TENEMENT LISTING

List of tenements, their location, and relevant third party beneficial interests held at the end of the quarter in accordance with listing rule 5.3.3.

Tenement	Application	Granted	Status	Third Party Interest
Gascoyne Uranium Projects, WA				
Red Rock Bore Project				
E08/1966	19/02/2009	20/01/2011	Granted	
E08/1967	19/02/2009	20/01/2011	Granted	
E08/1968	19/02/2009	20/01/2011	Granted	
E08/2049	20/08/2009	20/01/2011	Granted	
E08/2410	12/07/2012		Pending	
Deep Bore Project				
E08/2001	15/05/2009	4/10/2011	Granted	
E08/2044	17/08/2009	4/10/2011	Granted	
Mick Well Project				
E09/1614	19/02/2009	11/11/2011	Granted	
Ted Well Project				
E09/1615	19/02/2009	11/11/2011	Granted	
Weaner Bore Project				
E09/1969	19/02/2009	3/05/2011	Granted	
East Pilbara Projects, WA				
Gobbos Project				
E45/3326	10/10/2008	21/01/2011	Granted	Adelaide Prospecting Pty Ltd 10%* Platypus Minerals Ltd earning a 75% interest pursuant to Farm In Agreement
Panorama Project				
E45/4110	6/11/2012	4/06/2013	Granted	
Comet East Project				
E45/3956	18/08/2011		Pending	
Parker Range Projects, Southern Cross WA				
Parker Range Gold Project				
M77/657-I	25/05/1994	3/02/1995	Granted	
M77/893	10/12/1997	3/01/2001	Granted	Cerro Resources NL 30%*
M77/52	26/06/1984	27/06/1984	Granted	Cerro Resources NL 30%*
M77/762-I	23/04/1996	25/01/2007	Granted	
M77/763-I	23/04/1996	25/01/2007	Granted	
M77/562	9/07/1992	23/10/1992	Granted	Barclay Holdings 30%*
M77/567-I	13/08/1992	5/01/1993	Granted	
M77/89	18/11/1985	26/03/1986	Granted	
P77/3696	19/01/2007	13/08/2008	Granted	

Tenement	Application	Granted	Status	Third Party Interest
Parker Range Projects, Southern Cross WA (continued)				
Northern Group				
P77/3720	20/01/2007	30/06/2011	Granted	
P77/3692	19/01/2007	13/08/2008	Granted	
P77/3693	19/01/2007	13/08/2008	Granted	
P77/3694	19/01/2007	13/08/2008	Granted	
M77/561	9/07/1992	23/10/1992	Granted	Barclay Holdings 30%*
Dulcie Group				
M77/669	29/08/1994	24/01/1995	Granted	
P77/3701-I	19/01/2007	13/08/2008	Granted	Kagara Nickel Rights
P77/3703	19/01/2007	13/08/2008	Granted	Kagara Nickel Rights
P77/3704-I	19/01/2007	13/08/2008	Granted	Kagara Nickel Rights
P77/3705-I	19/0/2007	13/08/2008	Granted	Kagara Nickel Rights
P77/3727	18/01/2007	18/02/2009	Granted	Audax 20%
P77/3728	18/01/2007	18/02/2009	Granted	Audax 20%
P77/3729	18/01/2007	18/02/2009	Granted	Audax 20%
M77/423	20/10/1989	23/12/1992	Granted	
Toomey Hills				
M77/565-I	28/07/1992	5/01/1993	Granted	
M77/1018	13/12/2000	6/07/2007	Granted	
P77/3730	17/01/2007	15/10/2009	Granted	
P77/3731	17/01/2007	15/10/2009	Granted	
P77/3732	16/01/2007	15/10/2009	Granted	
P77/3800	5/02/2007	15/10/2009	Granted	
East Parker Dome Project				
E77/1362	6/07/2006	5/10/2009	Granted	
E77/1734	2/12/2009	30/09/2011	Granted	
Forrestania Project				
E77/2143	12/08/2013		Pending	
				** Free carried to feasibility study*

TENEMENT CHANGES

Changes to tenement holdings and relevant third party beneficial interests during the quarter in accordance with listing rule 5.3.3: -

Tenement Acquisitions or Disposals

E45/4110 sold

E77/1396 expired

Third Party Interests Acquired or Disposed

Nil

Rule 5.5

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

Gondwana Resources Limited

ABN	Quarter ended ("current quarter")
72 008 915 311	30June 2014

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (6 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	(113)	(249)
	(b) development		
	(c) production		
	(d) administration	(174)	(253)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	1	1
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (R & D Rebate)	1	1
	Net Operating Cash Flows	(285)	(500)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects		-
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities	-	(10)
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
	Net investing cash flows	-	(10)
1.13	Total operating and investing cash flows (carried forward)	(285)	(510)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(285)	(510)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	393	473
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	50	50
1.17	Repayment of borrowings	-	-
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	443	523
	Net increase (decrease) in cash held	158	13
1.20	Cash at beginning of quarter/year to date	78	223
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	236	236

A fully underwritten pro rata entitlement issue to shareholders is being undertaken to raise up to approximately $781,870 in the current quarter. A Prospectus was issued 18 July 2014.

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*	127
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

*Includes amounts previously deferred

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

None

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

None

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	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	120
4.2	Development	
4.3	Production	
4.4	Administration	100
	Total	220

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	236	78
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	236	78

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	E77/1396 Parker Range	100%	100%	Nil
		E45/4110 Pilbara	90%	90%	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

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

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	**+Ordinary securities**	24,433,440	24,408,440		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	4,680,000 -	4,680,000 -		
7.5	**+Convertible debt securities** (*description)*	nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	4,100,000	-	Exercise price 10 ¢	Expiry date 30/6/15
7.8	Issued during quarter	-	-		
7.9	Exercised during quarter	4,680,000	-		
7.10	Expired during quarter	420,000	-		
7.11	**Debentures** *(totals only)*	nil	-		
7.12	**Unsecured notes** *(totals only)*	nil	-		

+ 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: ..... Date: .31 July 2014
(Director/Company secretary)

Print name: Paul Goodsall

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.

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.

== == == == ==

+ See chapter 19 for defined terms.