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QUARTERLY REPORT 30 SEPTEMBER 2014

SUMMARY

RMG is continuing to advance its Chilean copper and Kamarga zinc projects. During the quarter, and immediately following, RMG has;

- ✓ Commenced Induced Polarisation (I.P.) geophysical surveys over the San Jose Cu-Ag and the La Teca Cu-Au mineralisation
- ✓ Commenced diamond drilling at the San Jose copper-silver mineralisation
- ✓ Identified a number of dumps at Tuina containing previously acid-leached copper oxide mineralisation
- ✓ Commenced drilling of the leached dumps to assess their grade and volume
- ✓ Commenced column leach test work on the leached dumps to assess acid consumption and copper recovery
- ✓ Identified a new zinc zone at Kamarga with exposures of zinc-lead rich gossans
- ✓ Commenced an I.P. survey at Kamarga along the JE zinc zone
- ✓ Raised A\$3.0 million (before costs) for exploration activities at Tuina in Chile and for Kamarga in Australia
- ✓ Continued to finalise the agreement to acquire the outstanding 25% of the Tuina Project from its local Joint Venture partner, Chile Metals. This will take RMG's interest to 100% ownership of the Tuina copper project.
- ✓ Terminated the Heads of Agreement with Minera Santa Lucia pending further commercial negotiations
- ✓ Continuing to negotiate an amendment to the Porvenir option payment schedule and a production agreement to process the leached dumps.

Chile – Chile Metals acquisition at Tuina Copper Project

During the Quarter, RMG continued to progress its negotiations to acquire the outstanding 25% interest in the Tuina Project from its Joint Venture Partner, Chile Metals (“JVP”). These negotiations were concluded after the close of the Quarter and announced on 28 October 2016. The acquisition will deliver 100% ownership of the Tuina project to RMG¹.

Under the transaction as announced, RMG will acquire the remaining 25% interest in the Tuina joint venture, and RMG will also acquire a debt (approximately USD1.565m) owed to Chile Metals by the third party copper producer (Porvenir S.C.M.²). In summary, subject to shareholder approval, RMG;

- Will issue 40,108,785 fully paid ordinary shares and 16,000,000 options to JVP who will then hold approximately 20% of RMG’s issued share capital;
- Will grant a 0.5% NSR over the Porvenir permits to JVP, and
- Will grant a 2% net smelter royalty (NSR) over the remaining permits (“Tuina Permits”) held 100% by the Joint Venture between RMG and JVP, with
- the Company having a right to buy back 50% of the NSR over the Tuina Permits for USD10m;
- Will provide the JVP with the right to appoint a representative to the Company’s Board.

As a result of the acquisition of Chile Metals interest in the Tuina project, the Company is expected to hold a 100% interest in over 170 sq. km of the Tuina district.

Figure 1 shows the extent of the concessions controlled by RMG and the location of the larger copper oxide open pits.

Chile – Porvenir Agreement Amendment

As a result of the Companies’ acquisition of Chile Metals, RMG is owed around US\$1.565 million by Porvenir S.P.A. It is the intention of RMG, and we have commenced negotiations with the principal of Porvenir, to redeem the debt in favour of an amended RMG – Porvenir Option Agreement. The amendments include an extended option payment schedule and a reduction in future royalty payments. Further details will be provided as commercial terms are agreed between the parties.

¹ RMG currently holds 75% in the project and Chile Metals 25%

² Porvenir is not in any way related to either RMG or Chile Metals or their associates.

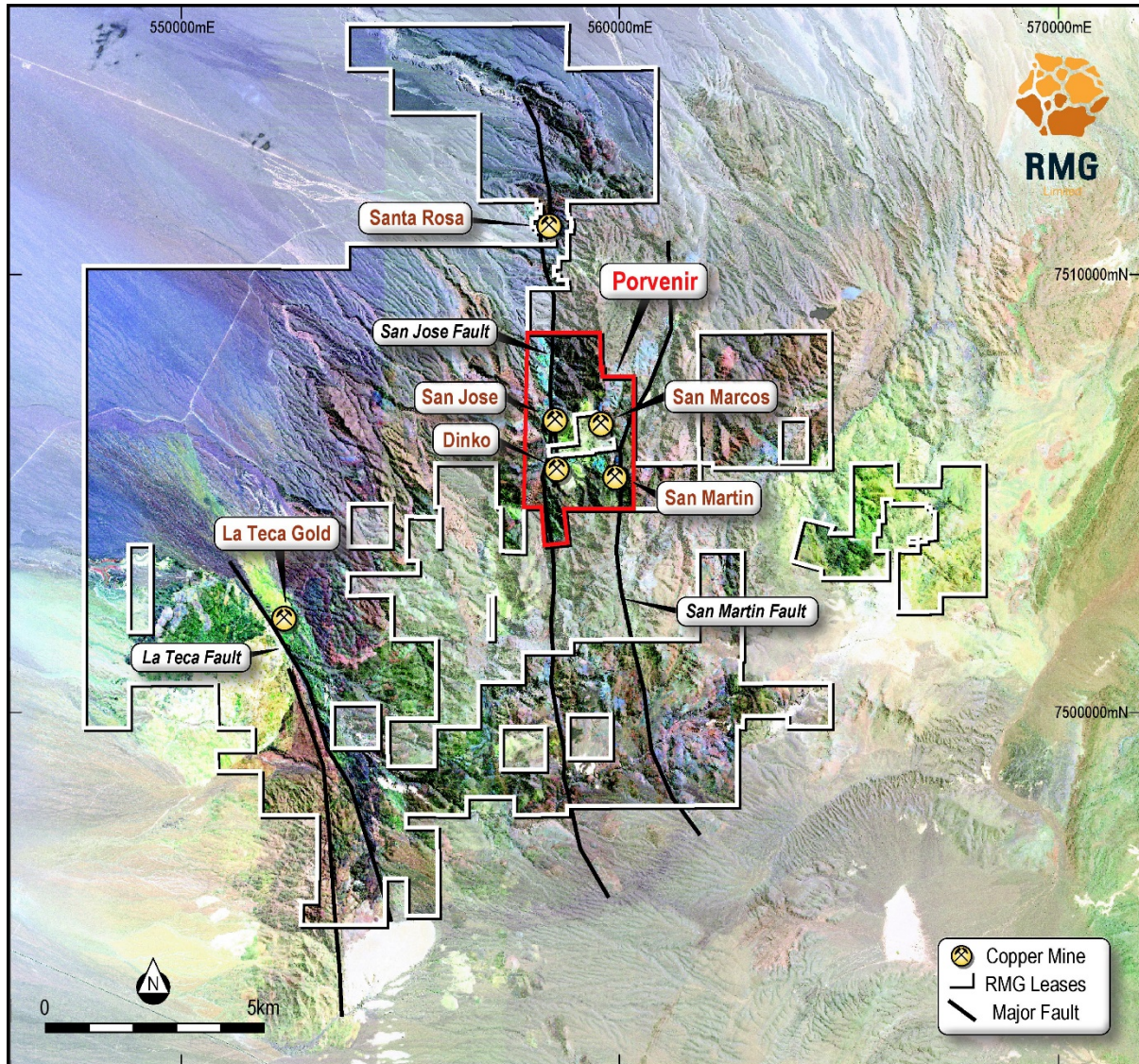


Figure 1 Location of concessions under various agreements to RMG

Tuina – Sulphide Copper Exploration

There has been limited drilling of the Tuina copper sulphide mineralisation that has been shown to exist below the mined copper-oxide deposits. Diamond drill hole DDH-MSJ-04, previously reported, of 107.7m @ 1.2%, 19g/t Ag is one such example of the tenor of the copper sulphide mineralisation at depth along the San Jose Fault zone.

The Company has commenced an Induced Polarisation (I.P.) geophysical survey to investigate if the mineralisation at San Jose has an I.P. response, and if so, to attempt to map the sulphide mineralisation in preparation for defining drill targets. The results of this work will be available during the next quarter.

The Company has also commenced an I.P. and a ground magnetic survey at the La Teca copper-gold project to attempt to map out areas of interest for further sampling and drill targeting.

Tuina – Drilling

The Company has commenced diamond drilling the copper mineralisation along the San Jose Fault system at Tuina. The drill holes will target a combination of copper oxide and copper sulphide mineralisation, and validate previous drilling. Results are expected in the next quarter.

Tuina - Copper Oxide Mining

There are numerous copper oxide pits that have been or are now being mined within the Porvenir and Chile Metals permits. Most of these pits have been, and are being, worked on tribute by small private companies that are significantly under-capitalised. This has resulted in little or no drilling, pit-optimisation or planning, and minimal pre-strip expenditure being undertaken. The total resource/reserve on many of these oxide zones has therefore not been well defined.

Figure 2 is one example of an oxide copper pit that has the potential to be expanded.

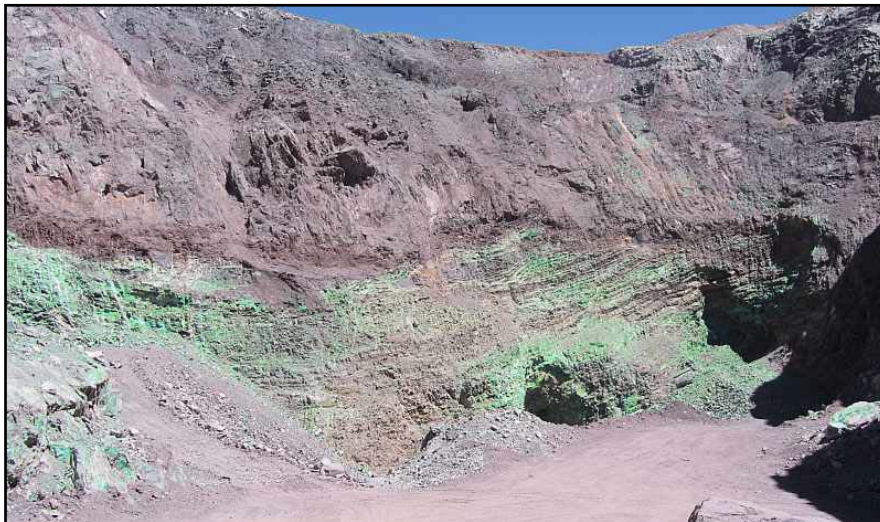


Figure 2 San Marcos oxide copper open pit

In addition to the un-mined oxide copper mineralisation, various operators have mined copper oxide mineralisation and treated it on-site through an acid leach dump or vat.

These dumps still exist and visually contain around 2 million tonnes of leached material. RMG will investigate the copper residue still within the dump material as a source of early cash flow for the Company. Figure 3 is an example of an abandoned vat leach copper oxide plant located on one of the Company's mining leases at Tuina.

Bulk samples have been collected from the two main acid-leached dumps (San Jose and Santa Rosa) and column leach test work has commenced to investigate acid consumption and grade recovery. Figure 4 shows a column leach of material from Santa Rosa. A drill

programme to test the grade variability, the average grade and the volume of the leached dumps is in progress.



Figure 3 An abandoned copper oxide plant at Tuina



Figure 4 Column leach test work for Tuina oxides

Australia – Kamarga Zinc project

Key highlights of the recent exploration activities at Kamarga include:

- Two lead-zinc targets for drilling have been identified from soil and outcrop sampling
- The carbonate hosted zinc mineralisation is now over 2km in length with previously reported peak rock chips³ to 15% Zn, 17g/t Ag, 5% Pb
- The new JP zinc target is over 400m wide, 100m thick, and open down plunge. It has similar geologic and geochemical characteristics to the previously reported JB and JE carbonate zinc zones
- The Fox zinc target is over 1.4 kms by 0.8 km in size and has similar geochemical characteristics to shale hosted SEDEX zinc deposits

The Kamarga area has previously shown its outstanding zinc endowment with drill intercepts of 120m @ 2.3% Zn including 7m @ 8.8% Zn and 3m @ 9.1% Zn⁴. These new results confirm the Company's belief that the zinc endowment of the Kamarga Project area may be significantly increased. The Company now has three new zinc targets ready for drilling including the previously announced JE Zinc Zone with surface zinc results to 15% Zn and 5% Pb which remains the Company's number one exploration priority.

In the past 12 months, the zinc price has risen by >25% to over A\$1.14/lb (A\$2500/tonne) and LME stockpiles of zinc have fallen by >30%⁵. With CRU's zinc commentator forecasting zinc prices to reach US\$4,500/tonne⁶, this is a great time to be establishing a district of new zinc targets in close proximity to existing infrastructure.

³ ASX release 11 October 2012

⁴ ASX release 14 February 2008

⁵ 26 August 2014, http://www.kitcometals.com/charts/zinc_historical.html

⁶ April 2014, <http://zincinvestingnews.com/7475-zinc-price-outlook-2014-deficit-supply-demand.html>

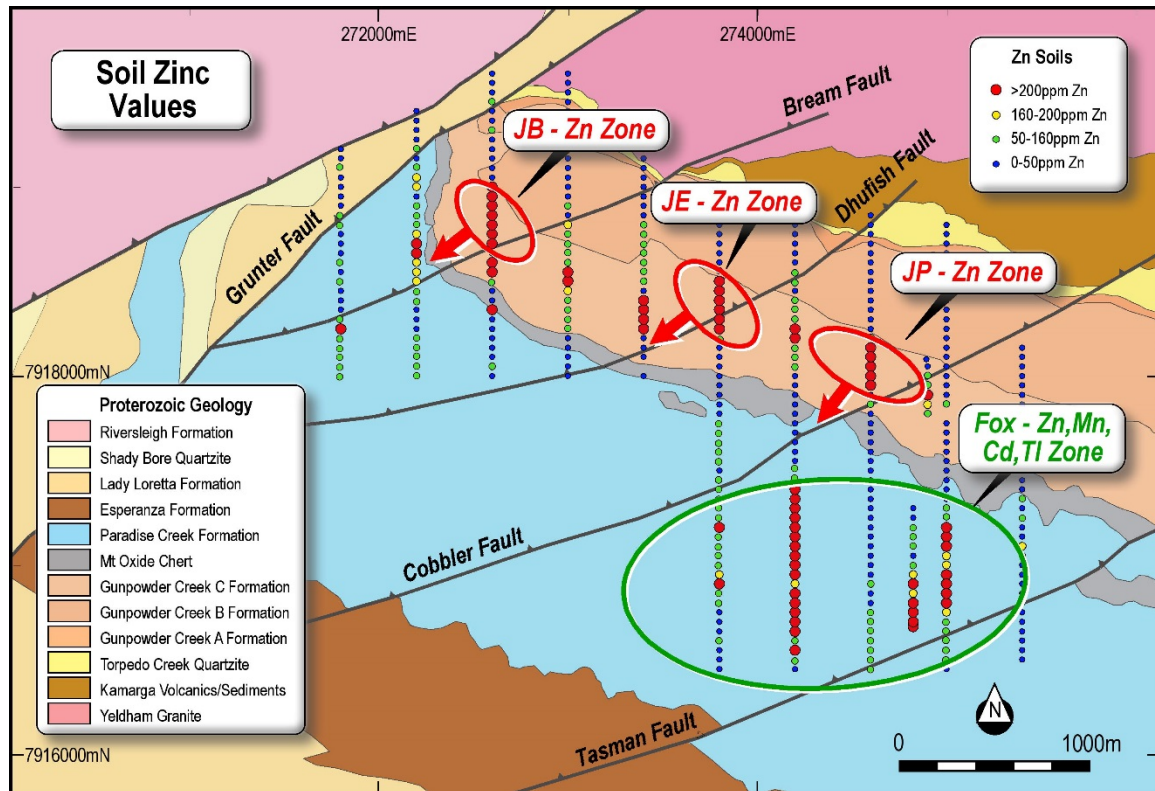


Figure 5 Kamarga zinc targets

Chile - Summary

In general, RMG's objective is to

- assess the opportunity for additional copper oxide resources and copper oxide dumps to generate an early cash flow for low capital cost
- establish a significant copper sulphide flotation plant and thereby capture all sulphide mining in the well mineralised Tuina District

Kamarga Zinc and Copper – Queensland

The Kamarga Project is located 20kms southeast of the world class Century Zn-Pb mine in north-west Queensland. Century (owned by MMG) is the world's second largest producer of zinc concentrate and is scheduled to cease open pit production in mid-2015⁷. MMG's replacement zinc production scheduled from the Dugald River project in north-west Queensland has also been delayed.

The Company believes that its exploration activities have confirmed the significant copper and zinc endowment of the Kamarga Project and affirm its commitment to continue to build the resource base with the objective of eventual economic exploitation.

⁷ [http://www.mmg.com/news/19 December 2013/Queensland zinc Strategic update](http://www.mmg.com/news/19%20December%202013/Queensland%20zinc%20Strategic%20update)

Forward Programs

Chile - Tuina

The Company intends to conclude the IP geophysics to investigate the mineralised strike length of the San Jose mineralised corridor, and the La Teca copper-gold zone. Diamond drilling at San Jose will also continue, and is aimed to validate the tenor and extent of the copper mineralisation at San Jose.

The Company is also continuing to engage in discussions with other permit holders in Chile with prospective copper, copper-silver and copper-gold targets.

Queensland - Kamarga

It is expected that field work at the Kamarga Project will be completed and the results reviewed with the objective of identifying the next set of drill targets.

Corporate and Finance

On 28 August 2014 RMG shareholders approved the placement of 2,000,000,000 shares at \$0.015 each with one free attaching option for every two shares placed. The options will have a two year term and expire on 31 August 2016 with an exercise price of \$0.003 each. The placement raised \$3,000,000 before expenses, to be used to advance work on the Tuina copper-silver project located in Chile and to meet its obligations on the Kamarga base metal project in North Queensland.

At the Shareholders meeting on 28 August, the shareholders also approved a share consolidation of the Company's capital on a 1:33 basis. The new issued capital is:

Class	Class description	Total Securities Post Consolidation
ORD	Ordinary fully paid shares	160,435,145
UO1	Unlisted options expiring 1/4/15 ex. \$0.66 each	303,030
UO2	Unlisted options expiring 1/4/17 ex. \$0.66 each	303,030
UO3	Unlisted options expiring 31/8/16 ex. \$0.198 each	2,424,240
UO4	Unlisted options expiring 31/8/16 ex. \$0.099 each	42,641,098
UO5	Unlisted options expiring 31/8/17 ex. \$0.099 each	21,666,666

Table 1 Table of new issued securities in RMG post consolidation

The Company has AUD\$2,272,279 in cash and bank deposits at the end of the quarter.

The Company continues in discussions with potential partners for the Kamarga Project to provide additional funding to advance the project to its next stage of development.

Annexure 1 below is a list of the tenements held or under option by the Company in compliance with LR 5.3.3.

Ends

For further information please contact:

Mr Robert Kirtlan or Mr Peter Rolley
+61 8 9387 6619

Competent Person statement on the use of previously issued Public Reports

The information in this Quarterly Report is extracted from 2014 ASX Releases during the period 30 June to 30 September 2014. Each of these ASX releases are available for viewing on www.rmgltd.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented herein have not been materially modified from the original market announcements.

Competent Persons Statement for the Exploration Results in this Public Report

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Rolley a Competent Person who is a Member of The Australian Institute of Geoscientists (MAIG). Mr Rolley has sufficient experience that is relevant to the style of mineralisation and type of deposit 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 (the "JORC Code 2012"). Mr Rolley is a shareholder and an Executive Director of RMG Ltd. Mr Rolley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning RMG Limited's planned exploration programme and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward looking statements.

ANNEXURE ONE – LR 5.3.3

Country	Name	Holder	RMG Group Interest	Status, or changes
Aust-Qld	Kamarga	Teck	0%, subject to RMG Earn-In	Held for whole Quarter - no change
Aust-Qld	Limestone Ck	Sunlander	100%	Held for whole Quarter - no change
Aust-Qld	Sandy Ck	Sunlander	100%	Held for whole Quarter - no change
Aust-Qld	Wangunda	Sunlander	100%	Held for whole Quarter - no change
Aust-Qld	Horse Creek	Sunlander	0%, subject to Teck Earn-In	Held for whole Quarter - no change
Chile, Region II	UF	Porvenir	RMG's current interest in the title is 0%, but subject to an Option Agreement with Porvenir S.C.M. to earn 75%	Held for whole Quarter - no change
Chile, Region II	Dinko	Porvenir		
Chile, Region II	San Martin	Porvenir		
Chile, Region II	Las Mellizas	Porvenir		
Chile, Region II	Maria de la Luz	Porvenir		
Chile, Region II	Macarena y Ximena	Porvenir		
Chile, Region II	Quenua	Porvenir		
Chile, Region II	San Jose	Porvenir		
Chile, Region II	Tamarugo	Porvenir		
Chile, Region II	Yareta	Porvenir		
Chile, Region II	Chanar	Porvenir		
Chile, Region II	Algarrobo	Porvenir		
Chile, Region II	Maria Gabriela	Porvenir		
Chile, Region II	Codiciada	Porvenir		
Chile, Region II	Enero 1	Minera Tuina		
Chile, Region II	Enero 2	Minera Tuina		
Chile, Region II	Enero 3	Minera Tuina		
Chile, Region II	Enero 4	Minera Tuina		
Chile, Region II	Enero 5	Minera Tuina		

Mining Exploration Entity Quarterly Report
and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Vicuma	Minera Tuina	RMG's current interest in the title is 0%, but subject to an Option Agreement from Chile Metals to earn 75%	Held interest for the Quarter, no change
Chile, Region II	Guanaco	Minera Tuina		
Chile, Region II	Santa Rosa	Minera Tuina		
Chile, Region II	La Teca 1	Minera Tuina		
Chile, Region II	La Teca 2	Minera Tuina		
Chile, Region II	La Teca 3	Minera Tuina		
Chile, Region II	La Teca 4	Minera Tuina		
Chile, Region II	La Teca 5	Minera Tuina		
Chile, Region II	La Teca 6	Minera Tuina		
Chile, Region II	Tuina 1	Minera Tuina		
Chile, Region II	Tuina 2	Minera Tuina		
Chile, Region II	Tuina 4	Minera Tuina		
Chile, Region II	Tuina 6	Minera Tuina		
Chile, Region II	Matias 2	Minera Tuina		
Chile, Region II	Esta 1	Minera Tuina		
Chile, Region II	Esta 2	Minera Tuina		
Chile, Region II	Esta Otra 2	Minera Tuina		
Chile, Region II	Ester	Minera Tuina		
Chile, Region II	Tuina 3	Minera Tuina		
Chile, Region II	Rosa Ester	Minera Tuina		
Chile, Region II	Paula	Minera Tuina		
Chile, Region II	Rio Seco 1	Minera Tuina		
Chile, Region II	Rio Seco 2	Minera Tuina		
Chile, Region II	Rio Seco 3	Minera Tuina		
Chile, Region II	Rio Seco 4	Minera Tuina		
Chile, Region II	Barrales 1	Minera Tuina		
Chile, Region II	Barrales 2	Minera Tuina		
Chile, Region II	Quimal 1	Minera Tuina		
Chile, Region II	Quimal 2	Minera Tuina		
Chile, Region II	Quimal 3	Minera Tuina		
Chile, Region II	Soren	Minera Tuina		
Chile, Region II	Oliver	Minera Tuina		
Chile, Region II	Noah	Minera Tuina		
Chile, Region II	Agnes	Minera Tuina		
Chile, Region II	Matias 4	Minera Tuina		
Chile, Region II	Molly	Minera Tuina		

Mining Exploration Entity Quarterly Report and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Lotte	Minera Tuina	RMG's current interest in the title is 0%, but subject to an Option Agreement with Chile Metals to earn 75%	Held interest for the Quarter, no change
Chile, Region II	Lisa	Minera Tuina		
Chile, Region II	Kenny	Minera Tuina		
Chile, Region II	Julie	Minera Tuina		
Chile, Region II	Greg	Minera Tuina		
Chile, Region II	Hannah	Minera Tuina		
Chile, Region II	Alejandro	Minera Tuina		
Chile, Region II	Camilita	Minera Tuina		
Chile, Region II	La Teca 7	Minera Tuina		
Chile, Region II	Mariana	Minera Tuina		
Chile, Region II	Explora 1	Minera Tuina		
Chile, Region II	Explora 2	Minera Tuina		
Chile, Region II	Explora 3	Minera Tuina		
Chile, Region II	Explora 4	Minera Tuina		
Chile, Region II	Explora 5	Minera Tuina		
Chile, Region II	Explora 6	Minera Tuina		
Chile, Region II	Explora 7	Minera Tuina		
Chile, Region II	Suerte	Minera Tuina		
Chile, Region II	Esta Otra 1	Minera Tuina		
Chile, Region II	Peter	Minera Tuina		
Chile, Region II	Mayo 3	Minera Tuina		
Chile, Region II	Mayo 4	Minera Tuina		
Chile, Region II	Mayo 5	Minera Tuina		
Chile, Region II	Mayo 6	Minera Tuina		
Chile, Region II	Santa Rosa 2	Minera Tuina		
Chile, Region II	Abril 1	Minera Tuina		
Chile, Region II	Abril 2	Minera Tuina		
Chile, Region II	Abril 3	Minera Tuina		
Chile, Region II	Abril 4	Minera Tuina		
Chile, Region II	Abril 5	Minera Tuina		
Chile, Region II	Abril 6	Minera Tuina		
Chile, Region II	Febrero 1	Minera Tuina		
Chile, Region II	Febrero 2	Minera Tuina		
Chile, Region II	Febrero 3	Minera Tuina		
Chile, Region II	Febrero 4	Minera Tuina		
Chile, Region II	Febrero 5	Minera Tuina		
Chile, Region II	Febrero 6	Minera Tuina		
Chile, Region II	Febrero 7	Minera Tuina		

Mining Exploration Entity Quarterly Report and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Marzo 1	Minera Tuina	RMG's current interest in the title is 0%, but subject to an Option Agreement with Chile Metals to earn 75%	Held interest for the Quarter, no change
Chile, Region II	Marzo 2	Minera Tuina		
Chile, Region II	Marzo 3	Minera Tuina		
Chile, Region II	Marzo 4	Minera Tuina		
Chile, Region II	Marzo 5	Minera Tuina		
Chile, Region II	Marzo 6	Minera Tuina		
Chile, Region II	Marzo 7	Minera Tuina		
Chile, Region II	Marzo 8	Minera Tuina		
Chile, Region II	Marzo 9	Minera Tuina		
Chile, Region II	Marzo 10	Minera Tuina		
Chile, Region II	Marzo 11	Minera Tuina		
Chile, Region II	Marzo 12	Minera Tuina		
Chile, Region II	Marzo 13	Minera Tuina		
Chile, Region II	Marzo 14	Minera Tuina		
Chile, Region II	Marzo 15	Minera Tuina		
Chile, Region II	Marzo 16	Minera Tuina		
Chile, Region II	Marzo 17	Minera Tuina		
Chile, Region II	Marzo 18	Minera Tuina		
Chile, Region II	Marzo 19	Minera Tuina		
Chile, Region II	Marzo 20	Minera Tuina		
Chile, Region II	Marzo 21	Minera Tuina		

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

RMG LIMITED

ABN

51 065 832 377

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(402)	(402)
(b) development	-	-
(c) production	-	-
(d) administration	(297)	(297)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Government Grant)	-	-
Net Operating Cash Flows	(694)	(694)
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	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(694)	(694)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(694)	(694)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	3,000	3,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings (Conversion of convertible note)	-	-
1.18	Dividends paid	-	-
1.19	Other (costs of funds raised)	(145)	(145)
	Net financing cash flows	2,855	2,855
	Net increase (decrease) in cash held	2,161	2,161
1.20	Cash at beginning of quarter/year to date	111	111
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,272	2,272

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	85
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

1.23 Salaries, directors fees and consultants fees paid to directors

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

Nil

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

Nil

+ See chapter 19 for defined terms.

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		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	(600)
4.2 Development	-
4.3 Production	-
4.4 Administration	(170)
Total	(770)

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	2,272	111
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,272	111

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	Please refer to Quarterly Activities report.		
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	(Note 1) 160,435,145	160,435,145		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,085,000,000 1:33 Consolidation	2,085,000,000 1:33 Consolidation		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	(Note 1) 303,030 303,030 2,424,240 42,641,098 21,666,666	- - - - -	<i>Exercise price</i> 66.0 cents 66.0 cents 19.8 cents 9.9 cents 9.9 cents	<i>Expiry date</i> 01 April 2015 01 April 2017 31 August 2016 31 August 2016 31 August 2017
7.8 Issued during quarter	42,641,098 21,666,666	- -	9.9 cents 9.9 cents	31 August 2016 31 August 2017
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

Note 1 : Shown on the consolidated basis being a 1:33 consolidation.

+ 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 October 2014
(Company secretary)

Print name: Lloyd Flint

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.