
**QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B
FOR THE QUARTER ENDING 30 SEPTEMBER 2014**

International Goldfields Limited (ASX: IGS) ("IGS" or "the Company") is pleased to provide the following commentary and Appendix 5B for the quarter ending 30 September 2014.

HIGHLIGHTS

- **Diamond drilling continues with results to date increasing confidence in continuity of inferred resources and identifying significant extensions to existing resource mineralisation**
- **Environmental Permits granted for the tenement hosting the União Resource**
- **Geotechnical review and open pit slope stability study completed**
- **IP Geophysical Survey completed**
- **Two new exploration tenements granted consolidating the Peru Prospect target area located 4km west along trend from the União Prospect area**

GOLD EXPLORATION ACTIVITY - BRAZIL

The Ouro Paz Gold Project is located in the state of Mato Grosso, Brazil, held in Joint Venture (Ouro Paz JV) between IGS' 93% owned subsidiary Latin Gold Ltd, and Brazil-based Biogold Investment Fund. The project is 100% held by the Brazilian entity CIA Mineradora Ouro Paz S.A., which is 35% owned by Latin Gold Ltd.

The Project is host to 690,000oz of gold from a maiden Mineral Resource Estimation (MRE) comprised of 3.4M tonne Measured & Indicated Resource averaging 2.55g/t gold, and a 5.1M tonne Inferred resource averaging 2.48g/t gold as announced by the Company on 19 December 2013.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement dated 19 December 2013 and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

BOARD

Michael Edwards
Non-Executive Chairman

Travis Schwertfeger
Managing Director

David Tasker
Non-Executive Director

COMPANY SECRETARY

Jane Flegg

REGISTERED OFFICE

Ground Floor, 1 Havelock Street
WEST PERTH WA 6005

PO Box 684
WEST PERTH WA 6872

COMMUNICATION DETAILS

Telephone: +61 8 9488 5220
Facsimile: +61 8 9324 2400

Web Address:
www.intgold.com.au

Email Address:
info@intgold.com.au

AUSTRALIAN BUSINESS NUMBER
69 099 544 680

SHARE REGISTRY
Advanced Share
Registry Services Pty Ltd
110 Stirling Hwy
Nedlands WA 6009

MEDIA CONTACT
Tony Dawe
PPR

T: 08 9388 0944
E: Tony.Dawe@ppr.com.au

ASX CODE
IGS

Summary of Exploration Activity and results during the reporting period:

The União Prospect Diamond drilling program completed 2,066m in 16 holes during the reporting period totalling 3,838m 3in 4 holes towards the proposed 6,000m program being completed during the 2014 field season.

Drill holes targeting inferred resource material to increase confidence on the existing resource estimation have consistently intersected mineralisation and demonstrate good continuity of the mineralised corridor through the União Prospect area. Better intercepts from exploration drill results reported to the ASX on 29 August and 6 October 2014 include:

- 17.15m @ 3.42g/t Au from 24.9m, – Hole LZG017
- 12.3m @ 1.62g/t Au from 74.9m – Hole LZG020
- 3.15m @ 2.12g/t Au from 97m, – Hole LZG021
- 0.51m @ 5.99g/t Au from 103m – Hole LZG024
- 0.75m @ 40.0g/t Au from 103.5m – Hole LZG025
- 12.1m @ 1.35g/t Au from 86.4m – Hole LZG026
- 7.23m @ 1.61g/t Au from 138.27m – Hole LZG027

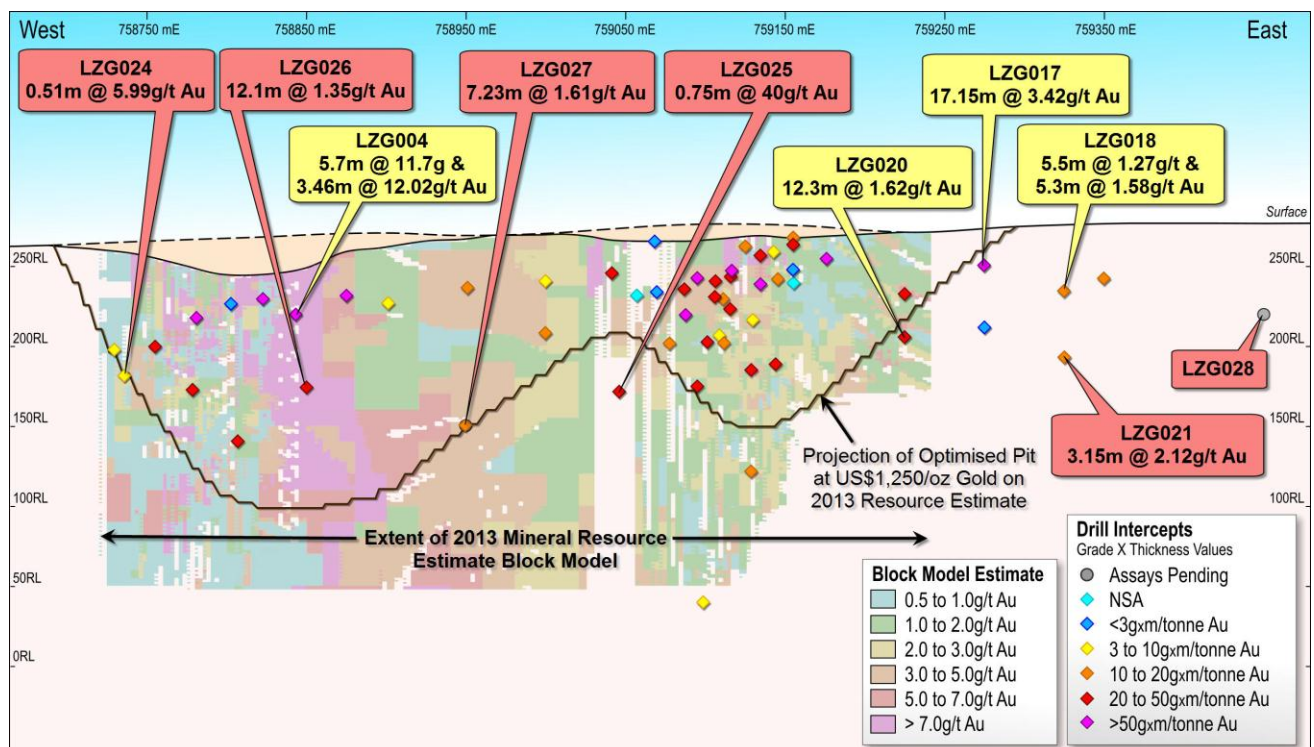


Figure 1: União Prospect - longitudinal east-west oriented vertical cross section, projection of mineralised intercepts with grade multiplied by drilled thickness values at a 0.5g/t Au cut-off projected on current mineral resource estimation block model.

Extension drilling to the east of União in 2014 drilling has resulted in a 25% increase in the mineralised strike length of the zone, and drill holes for metallurgical test work returned higher grade gold intercepted within the Ana PF resource estimate (refer to Figure 1).

Mining Permit and Environmental Permitting

The issue of both the Preliminary Licence (Licença Prévia or “LP”) and the Installation Licence (Licença de Instalação or “LI”) to the Ouro Paz Joint Venture (JV) occurred during the reporting period as announced 12 August 2014.

The combined “LP” and “LI” have been issued from the Mato Grosso State Agency; Secretaria Estado do Meio Ambiente (SEMA), which is responsible for licensing, compliance, and regulation of environmental affairs for the Union Project Area.

The “LI” gives the Ouro Paz JV the rights to mine a portion of the current oxide resource estimation which totals 56,000 oz Au at 3.03g/t Au including 116,000t Indicated and 460,000t Inferred within the Union Project Area, with all of the 116,000t of Indicated category material averaging 3.22g/t Au located within the 866.353/2003 tenement. The “LI” also allows for surface activities to be completed within the permitted tenement that can increase confidence in the oxide resource.

The remaining oxide resource estimate for the Union Project area is within three adjacent tenements located within 1.5km of the proposed heap leach facility. As announced on 20 May 2014 the resource estimation reports for the larger project area have been accepted by Brazil’s National Department of Mineral Production (“DNPM”) and advancement of environmental permitting for the balance of the resource is pending completion and submission of an ‘Economic Use Plan’ (“PAE”) for each of those tenements to be filed during the December quarter to initiate the environmental permit application.

The final outstanding environmental licence required to commence production is the Operating License (“LO”), which would be issued following completion of construction of the processing facilities in accordance with the environmental parameters established under the PAE.

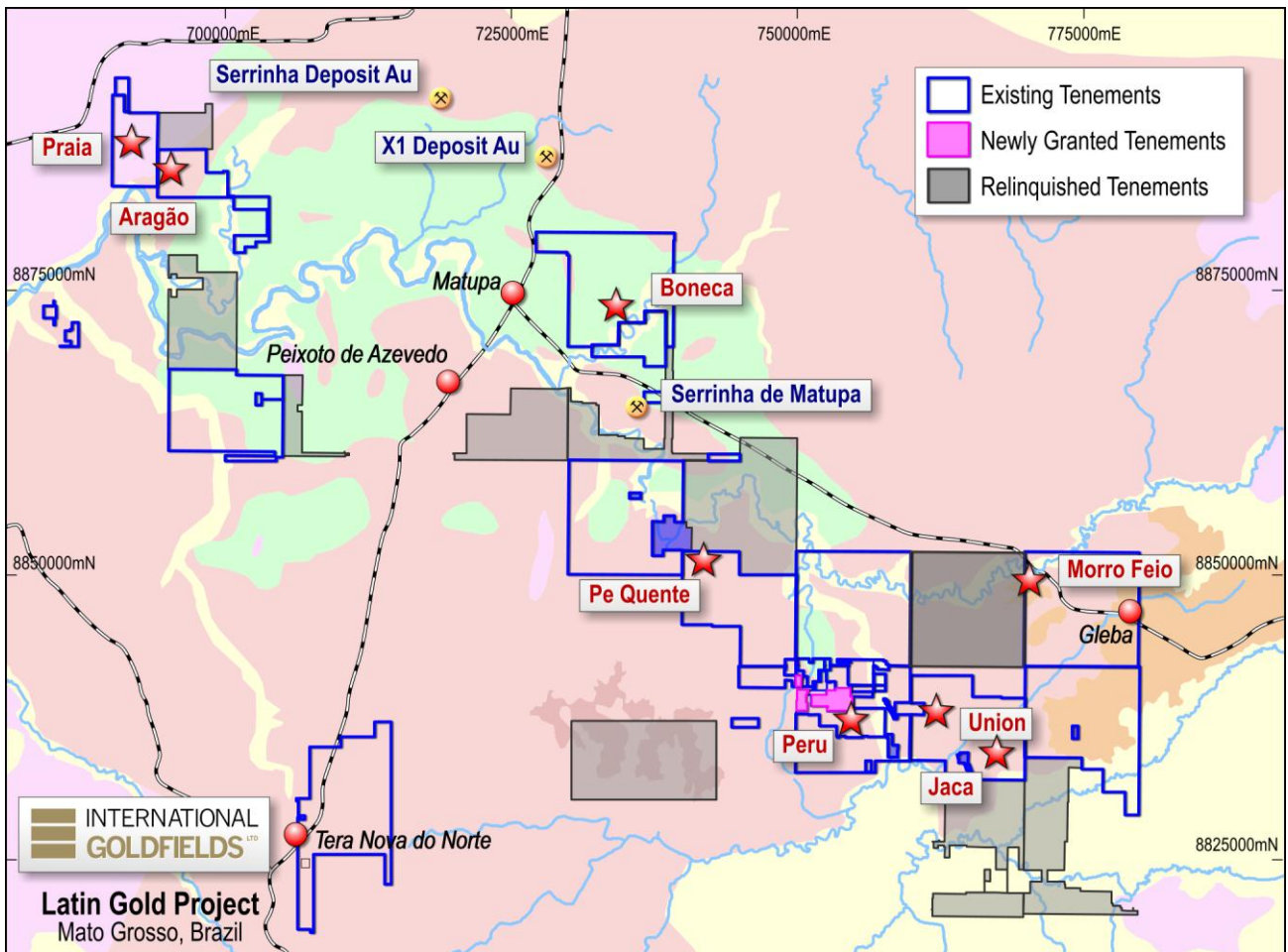
Slope Stability Study

The maximum self-supporting angle to be taken in assumptions of open pit optimisation studies and open pit designs are included in a final report by independent consultant COPA Consultoria em Projetos Ambientais (COPA), following a detailed study of rock mass characteristics and hydrogeologic factors made during a site visit by COPA in July this year.

The Geotechnical review is one of several assessments being made in conjunction with exploration drilling to advance a pre-feasibility study and increase confidence in mineral resource estimations and economic viability of the Ouro Paz Gold Project.

Tenement Update

Two applications for exploration authorisation have been granted in favour of the Ouro Paz JV for key tenements that consolidate the highly prospective Peru Prospect area. The two tenements are located from four to nine kilometres west of the União resource estimation and total 8km² of mineral rights added to the extensive land position 100% held by the Ouro Paz JV.



Also subsequent to the reporting period, the Ouro Paz JV has relinquished nine tenements totalling 425km² area to rationalise its land holdings and reduce land holding costs within the extensive land position where early stage exploration has not justified further exploration expenditure commitments.

The combined changes in tenure reported during the quarter leave a balance of approximately 1,006km² held by the Ouro Paz Joint Venture in the Alta Floresta Gold Province of Mato Grosso State in Brazil with an additional 122km² of applications still pending approval.

Ground Geophysical Survey

The Ouro Paz JV resumed work in July on a second campaign of field work to complete a planned 42 line-km ground geophysical survey using spectral induced polarisation / resistivity geophysical method (IP). The IP surveying is being conducted by using a spectral induced polarisation (IPR12/TSQ3) system, configured in a conventional 2-D dipole-dipole array. The potential electrode spacing was set to 25 metres and separation factors of n=1 to 8 is used.

The results of the IP survey has identified several geophysical anomalies and has been utilised to refine drill targeting when integrated with geological mapping and surface geochemistry datasets and multiple targets for initial drill testing have been identified. In total, approximately 42 line-km of survey have been completed on multiple targets across the Ouro Paz JV tenement position.

EXPLORATION PROPOSED

Exploration activities proposed for the next 3 month period include:

- Complete interpretation and integration of recent IP geophysical survey work to prioritise near-resource exploration targets.
- Complete final 2,000m of the budgeted 6,000m Diamond Drilling program for the 2014 calendar year.
- Advance more detailed metallurgical studies on oxide and sulphide types of mineralisation for processing optimisation studies for centralised milling/processing options
- Additional Geochemical sampling to continue to add additional resource potential within the vast land position to the target pipeline
- Complete Metallurgical studies on oxide and sulphide type mineralisation from several of the resource estimation locations that characterise all styles of mineralisation observed on the project.

CORPORATE ACTIVITY

The board announced the resignation of Travis Schwertfeger from the board effective 21 November 2014 and has announced the appointment of James Baughman as Consulting Geologist for the Company.

Plumridge Project

During the reporting period IGS received the final payment for its divestment of the Plumridge Project and has transferred the final 35% ownership in Plumridge Gold Pty Ltd to Segue Resource Ltd (ASX: SEG) for total remuneration received of \$300,000 cash, a 1% royalty over future production on the tenements, and 50 million fully tradeable shares in SEG. Proceeds from the divestment of the Plumridge asset have been used to finance continued exploration work in Brazil.

Santa Fe Gold Update

IGS currently holds 9.3m common shares and US\$4m in convertible notes in Santa Fe expiring in October 2015, in addition to approx. US\$400,000 of accrued interest on the convertible notes.

On 25 July 2014, IGS announced an update on its Santa Fe Gold investment related to a proposed strategic partnership and a Share Exchange Agreement between Santa Fe Gold Corporation (OTCQB: SFEG) ("Santa Fe") and Canarc Resource Corp. (CCM: TSX and CRCUF: OTC-BB) ("Canarc"). Subsequent to the reporting period, Santa Fe Gold has announced that the Share Exchange Agreement between Santa Fe and Canarc Resource Corp. terminated pursuant to the terms of the Share Exchange Agreement.

Santa Fe, is currently focused on additional resource drilling and engineering program, an operational strategy intended to be completed with the assistance of a potential strategic investor.

The current strategy is supported by senior secured creditors, Waterton Global Value, L.P. and Sandstorm Gold Ltd. The board of IGS also supports the strategy and continues an active dialogue with the Santa Fe board and remains engaged with other major creditors.

IGS is actively assisting Santa Fe in pursuing funding opportunities to conduct the proposed technical work with the objective of reclassifying some of the defined mineralized material at the Summit project as reserves in accordance with the principles of either the Canadian National Instrument 43-101, or the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition (JORC Code).

ENDS

FOR FURTHER INFORMATION, PLEASE CONTACT:

International Goldfields
T: +61 8 9488 5220
E: info@intgold.com.au

Professional Public Relations
Tony Dawe
T: +61 8 9388 0944
E: tony.dawe@ppr.com.au

Competent person statements:

The information included in this report that relates to Exploration Results is based on information compiled by Travis Schwertfeger, B.Sc, M.Sc., MAIG, a competent person who is a member of the Australian Institute of Geoscientists. Mr. Schwertfeger is a full-time employee of the Company in the role of Managing Director for International Goldfields Ltd, with a related party holding securities in International Goldfields. Mr Schwertfeger has worked as a geologist in regional exploration, mine evaluation, resource estimation and mineral production roles for over 15 years in precious and base metal deposits. Mr. Schwertfeger has sufficient experience that is relevant to the style of mineralization 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'. Travis Schwertfeger consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information is extracted from the report entitled 'Maiden Resource Estimate of 690,000 oz Gold - Ouro Paz Joint Venture, Mato Grosso, Brazil' created on 19 December 2013 and appended with the report entitled 'Additional information for the Ouro Paz Joint Venture Mineral Resource Estimation and Scoping Study' created 31 December 2013 and are available to view on www.intgold.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 announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward Looking Statement:

Statements regarding plans with respect to the Company's mineral properties are forward-looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that the Company will be able to confirm the presence of additional mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

ASX Additional Information for Quarterly Report to 30 September 2014

SCHEDULE OF MINING TENEMENTS

Tenement ID	Location	Interest Acquired during quarter	Interest Disposed during quarter	Beneficial Interest Sold during quarter	Interest Held at end of quarter	Comments
E28/1475	Western Australia			35%	0%	
E39/1118	Western Australia			35%	0%	
E39/1117	Western Australia			35%	0%	
E39/1084	Western Australia			35%	0%	
866003/2005	Mato Grosso, Brazil		33%	na	0%	
866006/2005	Mato Grosso, Brazil			na	33%	
866127/2005	Mato Grosso, Brazil			na	33%	
866187/2005	Mato Grosso, Brazil			na	33%	
866217/2005	Mato Grosso, Brazil		33%	na	0%	
866240/2005	Mato Grosso, Brazil			na	33%	
866249/2005	Mato Grosso, Brazil		33%	na	0%	
866250/2005	Mato Grosso, Brazil		33%	na	0%	
866267/2005	Mato Grosso, Brazil			na	33%	
866275/2005	Mato Grosso, Brazil			na	33%	
866286/2005	Mato Grosso, Brazil			na	33%	
866294/2005	Mato Grosso, Brazil			na	33%	
866313/2005	Mato Grosso, Brazil		33%	na	0%	
866322/2005	Mato Grosso, Brazil			na	33%	
866338/2005	Mato Grosso, Brazil			na	33%	
866349/2005	Mato Grosso, Brazil		33%	na	0%	
866349/2011	Mato Grosso, Brazil	33%		na	33%	
866353/2003	Mato Grosso, Brazil			na	33%	
866357/2005	Mato Grosso, Brazil			na	33%	
866375/2005	Mato Grosso, Brazil		33%	na	0%	
866377/2005	Mato Grosso, Brazil			na	33%	
866398/2005	Mato Grosso, Brazil			na	33%	
866407/2005	Mato Grosso, Brazil			na	33%	
866429/2004	Mato Grosso, Brazil			na	33%	
866435/2005	Mato Grosso, Brazil			na	33%	
866447/2005	Mato Grosso, Brazil			na	33%	
866452/2005	Mato Grosso, Brazil		33%	na	0%	
866475/2005	Mato Grosso, Brazil			na	33%	
866633/2009	Mato Grosso, Brazil			na	33%	
866655/2008	Mato Grosso, Brazil			na	33%	
866668/2012	Mato Grosso, Brazil			na	33%	
866673/2005	Mato Grosso, Brazil			na	33%	
866688/2009	Mato Grosso, Brazil			na	33%	

Tenement ID	Location	Interest Acquired during quarter	Interest Disposed during quarter	Beneficial Interest Sold during quarter	Interest Held at end of quarter	Comments
866742/2013	Mato Grosso, Brazil	33%			33%	
866773/2011	Mato Grosso, Brazil		33%	na	0%	
867121/2012	Mato Grosso, Brazil			na	33%	
867122/2012	Mato Grosso, Brazil			na	33%	
867123/2012	Mato Grosso, Brazil			na	33%	
867124/2012	Mato Grosso, Brazil			na	33%	
867125/2012	Mato Grosso, Brazil			na	33%	
867126/2012	Mato Grosso, Brazil			na	33%	
867128/2012	Mato Grosso, Brazil			na	33%	
867129/2012	Mato Grosso, Brazil			na	33%	
867130/2012	Mato Grosso, Brazil			na	33%	
867142/2012	Mato Grosso, Brazil			na	33%	
867143/2012	Mato Grosso, Brazil			na	33%	
867144/2012	Mato Grosso, Brazil			na	33%	
867145/2012	Mato Grosso, Brazil			na	33%	
867148/2012	Mato Grosso, Brazil			na	33%	

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

INTERNATIONAL GOLDFIELDS LIMITED

ABN

69 099 544 680

Quarter ended ("current quarter")

30 September 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 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	(480)	(480)
(b) development	-	-
(c) production	-	-
(d) administration	(150)	(150)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
	(628)	(628)
Net Operating Cash Flows		
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) equity investments	682	682
(b) other fixed assets	-	-
(c) Data in regards to prospects	-	-
1.10 Loans to other entities (Santa Fe)	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – refund of tenement bonds	168	168
	850	850
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	222	222

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	222	222
	Cash flows related to financing activities		
1.14a	Proceeds from issues of shares, options, etc	-	-
1.14b	Shares to issue	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(263)	(263)
1.18	Dividends paid	-	-
1.19	Other - Capital raising costs	-	-
	Net financing cash flows	(263)	(263)
	Net increase (decrease) in cash held	(41)	(41)
1.20	Cash at beginning of quarter/year to date	181	181
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	140	140

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	26
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors' salary

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

--

+ 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	1,000	-
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	-
4.3 Production	-
4.4 Administration	85
Total	485

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	140	181
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	140	181

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	866003/2005	Exploration Licences Relinquished by Brazil Joint Venture	33%	0%
	866217/2005		33%	0%
	866249/2005		33%	0%
	866250/2005		33%	0%
	866313/2005		33%	0%
	866349/2005		33%	0%
	866375/2005		33%	0%
	866452/2005		33%	0%
6.2 Interests in mining tenements acquired or increased	866773/2011			
	866742/2011 866349/2013	Exploration Licences Granted to Brazil Joint Venture	0% 0%	33% 33%

*Full details of the Group's tenement holdings are set out in the attached Schedule of Mining Tenements

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	671,669,556	671,669,556		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities (Convertible Notes)				

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
		14,000,000	-	\$0.08	31/12/2015
		37,100,000	-	\$0.01	30/09/2016
		5,000,000	-	\$0.03	30/09/2016
		14,850,640	-	\$0.03	30/06/2017
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ 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: Date: 31 October 2014
(Company secretary)

Print name: Jane Flegg

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.

== == == == ==

+ See chapter 19 for defined terms.