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QUARTERLY REPORT 31 DECEMBER 2014

SUMMARY

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

- ✓ Completed its inaugural 19 hole diamond drilling programme at the San Jose copper-silver mineralisation in northern Chile. Best intersections from the drilling include;
 - 42m @ 2.1% Cu, 17g/t Ag Cu from 17m depth in TD001
 - 83m @ 1.0% Cu, 9g/t Ag from 31m depth in TD002
 - 44m @ 1.6% Cu, 24g/t Ag from 4m depth in TD008
 - 51m @ 1.9%, 24g/t Ag Cu from 3m depth in TD009
- ✓ Demonstrated that excellent copper grades extend from surface and the mineralisation is open along strike and down dip
- ✓ Confirmed the presence of high grade copper results at surface which enhances the potential for early cash flow opportunities being pursued by the Company at Tuina
- ✓ Verified that the copper mineralisation extends over 2.7kms of strike along the San Jose Fault zone
- ✓ Finalised an amendment to the Porvenir option payment schedule in northern Chile
- ✓ Finalised a production agreement to process all oxide ore on the Porvenir concessions
- ✓ Commenced feasibility and business studies on the exploitation of oxide ores
- ✓ Re-stated the Kamarga zinc resource in northern Queensland in compliance with JORC Code for Reporting Resources, 2012
- ✓ Appointed an experienced project manager to the Board to assist with the potential development of the Company's copper deposits in northern Chile

Tuina – Drilling

The Company has completed its inaugural diamond drilling programme of the copper-silver manto mineralisation along the San Jose Fault system at Tuina. The following summary is from the ASX releases of 21 November 2014, 16 December 2014 and 22 January 2015.

A total of 19 diamond drill holes were completed along the San Jose zone within the Porvenir Option Agreement area. Appendix One provides collar locations and survey information. Figures 1 and 2 provide plans showing the drill hole locations. Figures 3 and 4 are cross-sections of RMG drill holes TD001 to TD003 and TD008 to TD010 showing the proximity of high grade mineralisation to the surface.



Figure 1 Plan of RMG drill holes around San Jose open pit

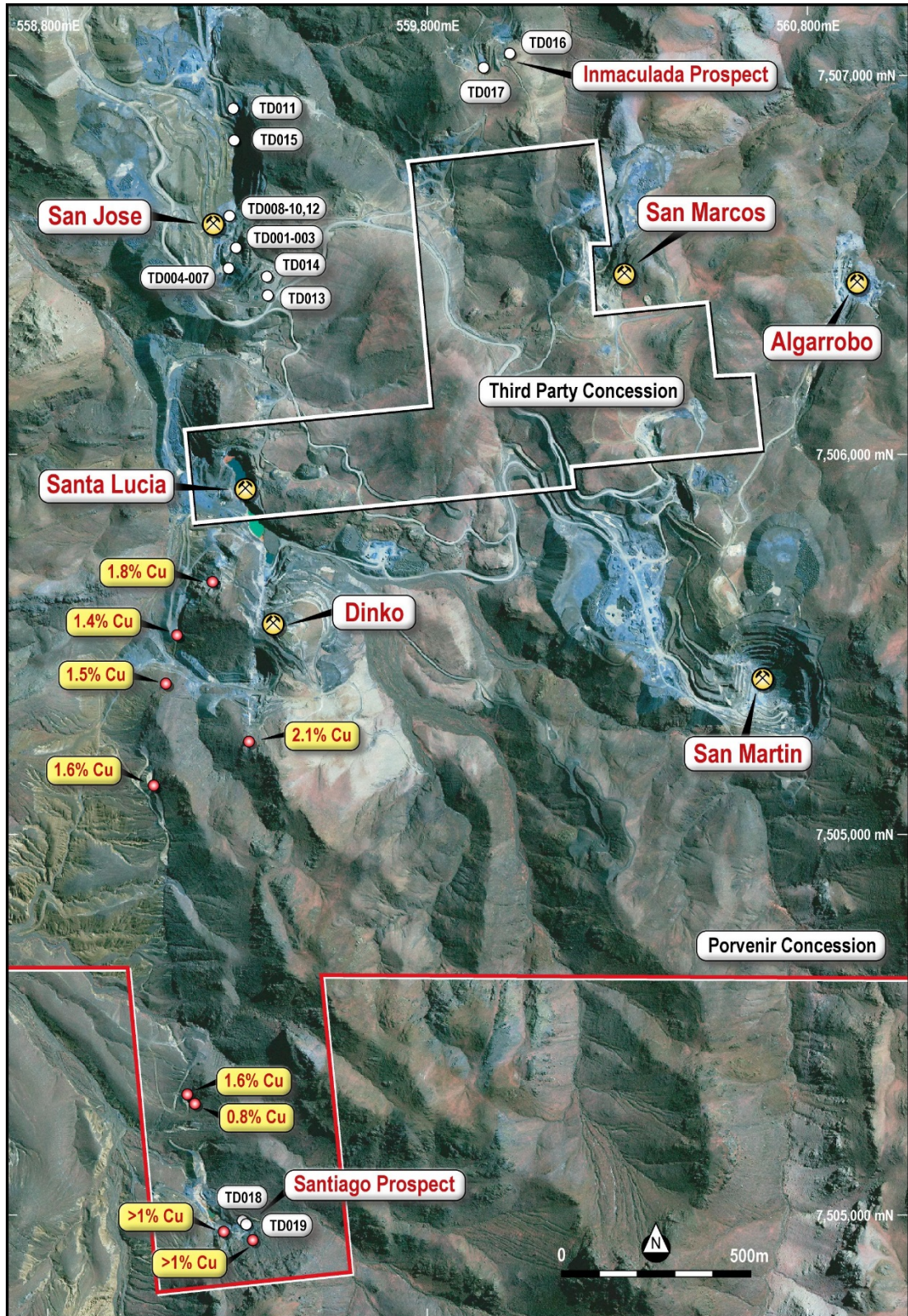


Figure 2 Plan of RMG drill holes at Inmaculada and Santiago prospects

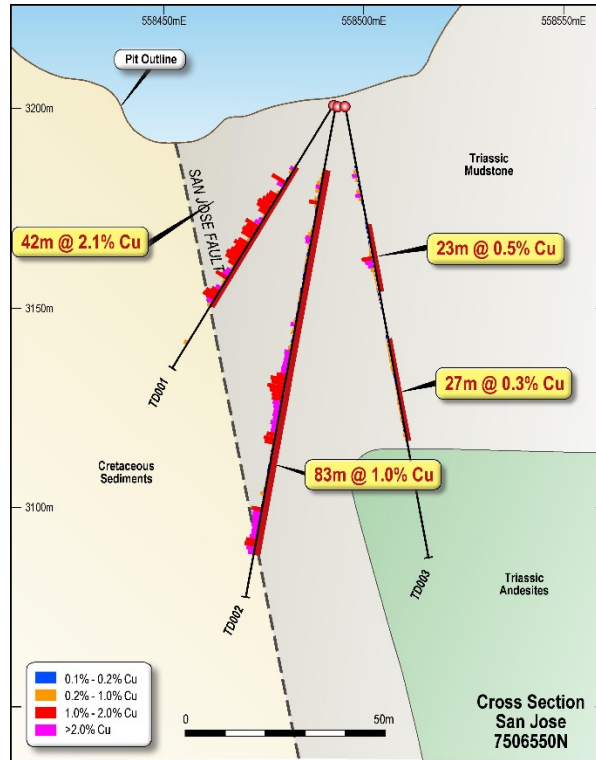


Figure 3 Cross section of RMG holes TD001 to TD003

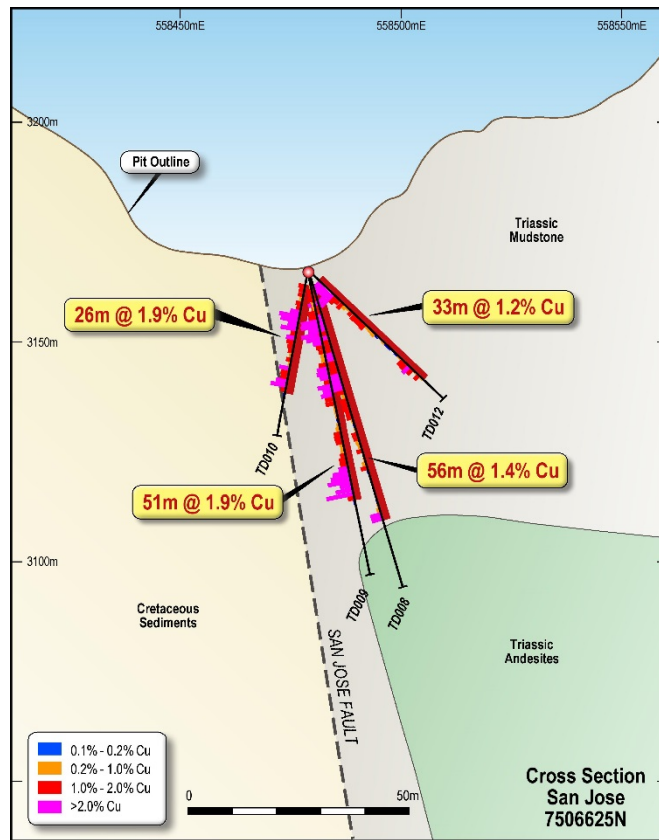


Figure 4 Cross section of RMG drill holes TD008 to TD010 and TD12

Appendix 1 also provides a list of all copper-silver intercepts from the RMG drilling.

In summary the RMG drilling in 2014 has confirmed

- High grade copper oxide mineralisation within 3m of surface
- The copper mineralisation is open down dip and along strike
- Drill Holes TD013 (31m @ 0.8% Cu) and TD014 (43m @ 0.5% Cu) have identified hanging-wall mineralisation that is additional to the San Jose Fault associated mineralisation, and therefore potentially beneficial in any open pit optimisation studies. This zone of mineralisation remains open to the north.
- The highest grade copper-silver mineralisation has peak values of 847ppm Mo¹ and may indicate an intrusive origin for the mineralising fluids
- The deeper drill holes intersected significant copper sulphide mineralisation including
 - 83m @ 1.0% Cu in TD002 from 31m downhole, and
 - 51m @ 1.9% Cu in TD009 from 3m downhole
- Drill Hole TD018 (9m @ 0.5% Cu from 77m depth) is located 2.7 kms south of TD009 and demonstrates the continuation of the manto copper-silver mineralisation to the south
- Two drill holes at Inmaculada, over 700m east of San Jose, intersected >0.4% Cu, indicating a new manto target for copper-silver mineralisation

Overall, the 2014 drilling results have confirmed the continuation of the copper mineralisation over a significant strike length, and is still open to depth and along strike. The 2014 drilling has affirmed the presence of high grade copper oxide mineralisation commencing 3m from surface, and enhances the potential for early cash flow opportunities being pursued by the Company at Tuina.

Tuina - Copper Oxide Mining

There are numerous copper oxide pits that have been or are now being mined within the Porvenir and RMG 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 5 is one example of an oxide copper pit that has the potential to be expanded.

¹ TD008 from 3m has 847ppm Mo, TD002 has 359ppm Mo from 68m depth and TD012 has 445ppm Mo from 5m depth

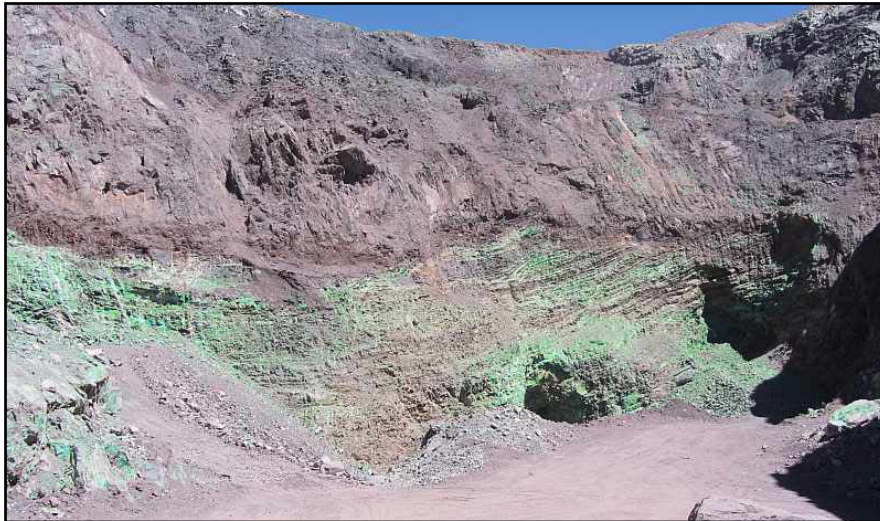


Figure 5 San Marcos oxide copper open pit

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.

RMG will investigate the copper residue still within the dump material as a source of early cash flow for the Company. Figure 6 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 is continuing to investigate acid consumption and grade recovery. A drill programme to test the grade variability, the average grade and the volume of the leached dumps has been completed and results are expected in the first quarter of 2015.

RMG is investigating all opportunities to exploit the potential of the oxide ores on its properties.



Figure 6 An abandoned copper oxide plant at Tuina

Chile – Porvenir Agreement Amendments

During the quarter² RMG announced that the schedule of option payments under the Option Agreement executed with Porvenir S.C.M. on 5 June 2013 at Tuina has been amended, and a new binding Production Memorandum of Understanding (MOU) to allow the immediate mining and processing of all copper oxide material located within the concession held by Porvenir S.C.M. has been executed. The key elements of the two agreements include;

- Mining and processing of the copper oxide material whether in situ or in dump from any of the mining leases held by Porvenir can commence immediately with payment of a 2% Net Smelter Royalty (NSR) from production
- The Option Payment due in March 2015 for US\$1,000,000 has been amended to
 - US\$100,000 paid in November 2014
 - US\$200,000 payable in March 2015
 - US\$300,000 payable in March 2016
 - US\$400,000 payable in March 2017
 - All other payments as per the original Option Agreement³
- Royalties on all copper production after exercising the Option Agreement are reduced to a flat rate of 2% NSR from 2%-4% previously
- RMG may purchase the 2% NSR from Porvenir for the sum of US\$12million within 2 years of exercising the Option Agreement.

Figure 7 shows the extent of the concessions controlled by RMG and the location of the larger copper oxide open pits.

² ASX Release 9 December 2014

³ ASX Release 5 June 2013

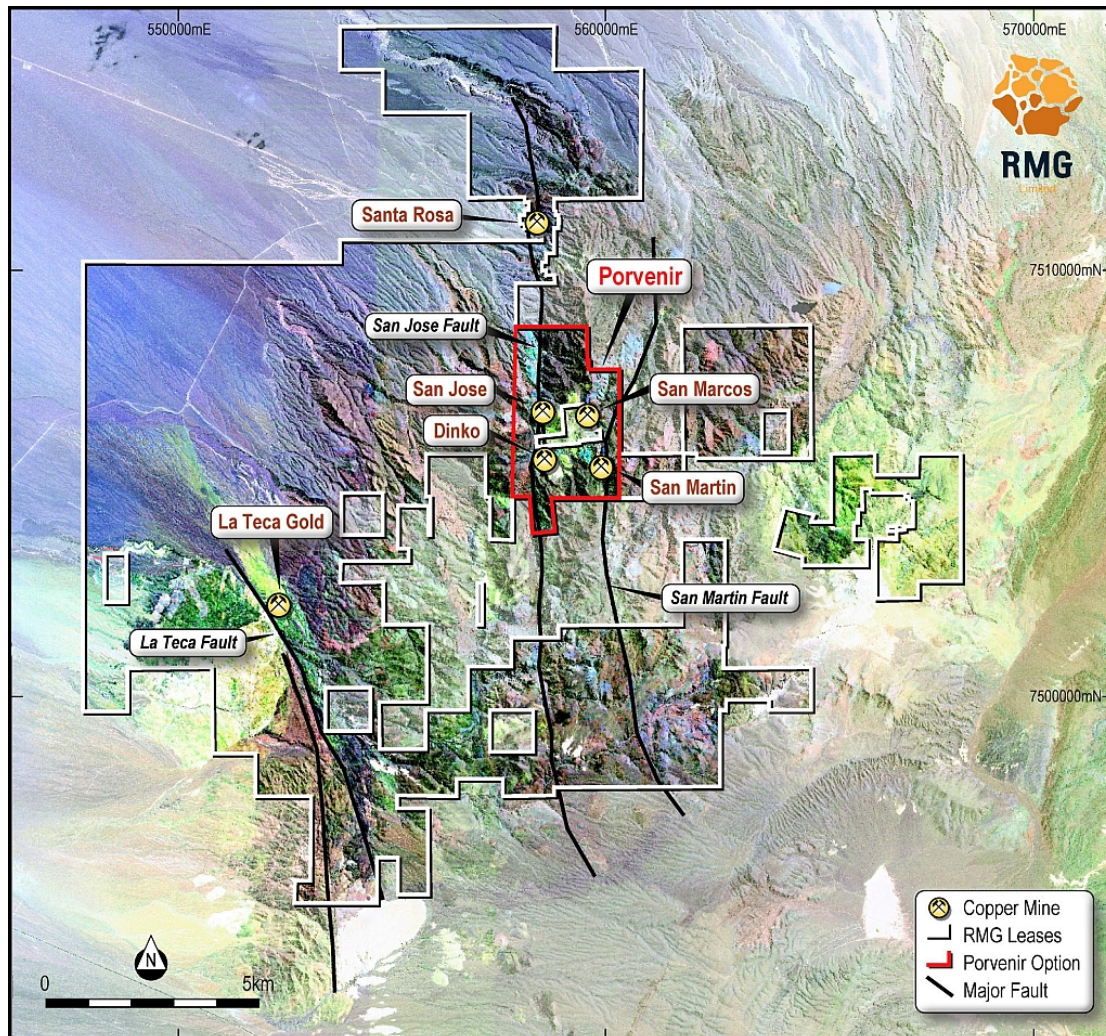


Figure 7 Location of concessions under various agreements to RMG

Australia – Kamarga Zinc project

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-2015⁴. MMG's replacement zinc production scheduled from the Dugald River project in north-west Queensland has also been delayed.

During the Quarter the Company re-issued the Inferred Resource for Kamarga and reported it in compliance with the JORC Code for Reporting of Resources 2012.

Inferred Resource of 10.4Mt @ 2.7% Zn, 0.2% Pb, 1g/t Ag at 1.5% Zn cut-off grade, is unchanged and includes

- o 2.6 Mt @ 4.4% Zn, 0.3% Pb, at 3% Zn cut-off grade

⁴ [http://www.mmg.com/news/19 December 2013/Queensland zinc Strategic update](http://www.mmg.com/news/19%20December%202013/Queensland%20zinc%20Strategic%20update)

The JORC 2012 reporting code requires that all resources must have a possibility of “eventual economic extraction”. Since the initial MRE was released in 2013 the following work has continued to indicate that the reported Inferred Resource meets this criteria.

- Surface sampling of new higher grade zinc zones supports the potential for locating additional mineralisation
- Test work indicates that a Dense Media Separation (DMS) process can significantly upgrade the mineralisation to a saleable product at low cost
- Zinc prices have increased over 20% since the initial MRE release

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% Zn⁵. 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 >20% to over A\$1/lb and LME stockpiles of zinc have fallen by >30%⁶. With CRU's zinc commentator forecasting zinc prices to reach US\$4,500/tonne⁷, this is a great time to be establishing a district of new zinc targets in close proximity to existing infrastructure.

Forward Programs

Chile - Tuina

In general, RMG will continue to

- assess the opportunity for additional copper oxide resources and copper oxide dumps to generate an early cash flow for low capital cost
- assess the metallurgical test work on the copper oxide mineralisation
- generate new copper oxide and sulphide drill targets from the 2014 drill data
- explore the 5km long La Teca Copper-gold mineralisation with it's high grade gold at surface to 18g/t Au⁸

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

⁵ ASX release 14 February 2008

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

⁷ April 2014, <http://zincinvestingnews.com/7475-zinc-price-outlook-2014-deficit-supply-demand.html>

⁸ ASX Release 30 January 2014

Queensland - Kamarga

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.

The results from the 2014 field work programmes are being reviewed with the objective of identifying the next set of drill targets and identifying a partner to advance the exploration and development opportunities.

Corporate and Finance

At the conclusion of the quarter, Mr Rhett Brans accepted an offer to join the Board of RMG as a Non-Executive Director with effect from 19 January 2015. Mr Brans has more than 40 years of experience in project development of treatment plants and mine developments. In particular we welcome Mr Brans' experience in the development and project management of oxide and sulphide copper projects in his former roles on the Kipoi copper deposit in the DRC, and the Girilambone, Nifty and Whim Creek copper SX/EW operations in Australia.

The company also announced the resignation of Mr Peter Rolley from the Board for personal reasons. Mr Rolley will continue to serve the company in a consulting role.

The Company has AUD\$815,000 in cash and bank deposits at the end of the quarter.

Annexure 2 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 September to 31 December 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 a consultant to 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 – DRILLING DATA

Hole ID	East	North	RL	Az.	Dip	Depth
TD001	558492	7506551	3201	270	-60	77.09
TD002	558493	7506551	3201	270	-80	124.8
TD003	558495	7506551	3201	90	-85	115.09
TD004	558467	7506501	3188	270	-75	57.75
TD005	558467	7506501	3188	270	-85	96.59
TD006	558468	7506501	3188	90	-75	318.6
TD007	558469	7506501	3189	90	-45	108
TD008	558479	7506629	3166	90	-75	75
TD009	558479	7506629	3166	90	-80	70.4
TD010	558479	7506629	3166	270	-80	38
TD011	558490	7506915	3179	90	-70	256.79
TD012	558479	7506629	3166	90	-45	42.5
TD013	558575	7506425	3253	270	-70	225.89
TD014	558575	7506471	3250	270	-60	210.19
TD015	558492	7506830	3101	135	-60	143.19
TD016	559215	7507060	3280	264	-50	235.5
TD017	559150	7507025	3160	240	-60	39.29
TD018	558520	7503980	3199	250	-50	140.1
TD019	558520	7503980	3199	250	-65	131
WGS84 Z19S						
Elevation Above Sea level						

Mining Exploration Entity Quarterly Report
and Appendix 5B

Hole Id	From	To	Downhole Length (m's)	Cu %	Soluble Cu%	Ag g/t
TD001	17	59	42	2.07	16.6	0.86
TD002	16	27	11	0.70	5.8	0.57
and	31	114	83	1.00	9.4	0.16
TD003	15	25	10	0.58	5.3	0.49
	29	52	23	0.47	3.1	0.37
	58	85	27	0.28	0.6	0.22
TD004	22	51	29	0.56	0.38	7.9
including	43	49	6	0.95	0.41	13.1
TD005	no significant intersection of 3m > 0.1% CuT					
TD006	28	31	3	0.22	0.16	0.3
and	49	125	76	0.44	0.07	3.8
including	107	124	17	1.04	0.07	13.7
TD007	59	83	24	0.38	0.17	2
including	79	83	4	1.11	0.33	8.4
TD008	4	48	44	1.6	0.72	23.9
and	54	59	5	1.24	0.62	4.4
TD009	3	54	51	1.93	0.63	23.9
TD010	3	29	26	1.9	0.73	29.1
TD011	no significant intersection of 3m > 0.1% CuT					
TD012	3	36	33	1.23	0.6	15.5
including	3	18	15	1.89	0.89	24.6
including	29	35	6	1.44	0.61	17.5
TD013	85	98	13	0.41	0.33	0.7
	101	106	5	0.28	0.25	0.5
	109	113	4	0.11	0.06	0.5
	118	136	18	0.48	0.43	8
	139	142	3	0.34	0.3	6.4
	171	174	3	0.15	0.04	0.6
	183	214	31	0.76	0.19	8.8
including	192	201	9	1.35	0.23	16.3
including	206	209	3	1.84	0.16	30.4
TD014	87	111	24	0.22	0.15	0.7
	114	133	19	0.76	0.63	7.8
	158	201	43	0.52	0.07	2.9
including	177	183	6	0.96	0.03	1.7
TD015	no significant intersection of 3m > 0.1% CuT					
TD016	no significant intersection of 3m > 0.1% CuT					
TD017	32	36	4	0.36	0.33	3.4
TD018	55	64	9	0.21	0.15	3.1
	77	86	9	0.53	0.24	8.7
TD019	no significant intersection of 3m > 0.1% CuT					

ANNEXURE TWO – 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%	
Aust-Qld	Sandy Ck	Sunlander	100%	
Aust-Qld	Wangunda	Sunlander	100%	
Aust-Qld	Horse Creek	Sunlander	0%, subject to Teck Earn-In	

Country	Name	Holder	RMG Group Interest	Status, or changes
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 100%	Sale Agreement with Chile Metals increased RMG's interest from 75% to 100%
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		

Mining Exploration Entity Quarterly Report
and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Enero 1	Minera Tuina	RMG's current interest is 100%	Sale Agreement with Chile Metals increased RMG's interest from 75% to 100%
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		
Chile, Region II	Enero 6	Minera Tuina		
Chile, Region II	Enero 7	Minera Tuina		
Chile, Region II	Vicuna	Minera Tuina		
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		

Mining Exploration Entity Quarterly Report and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Barrales 2	Minera Tuina	RMG's current interest in the title is 100%	Sale Agreement with Chile Metals increased RMG's interest from 75% to 100%
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		
Chile, Region II	Lotte	Minera Tuina		
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	Mayo 7	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		

Mining Exploration Entity Quarterly Report
and Appendix 5B

Country	Name	Holder	RMG Group Interest	Status, or changes
Chile, Region II	Febrero 1	Minera Tuina	RMG's current interest in the title is 100%	Sale Agreement with Chile Metals increased RMG's interest from 75% to 100%
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		
Chile, Region II	Marzo 1	Minera Tuina		
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		
Chile, Region II	Rob	Minera Tuina		
Chile, Region II	Andrew	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")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(1,305)	(1,707)
(b) development	-	-
(c) production	-	-
(d) administration	(137)	(434)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	11
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Government Grant)	-	-
Net Operating Cash Flows	(1,436)	(2,130)
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)	(1,436)	(2,130)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,436)	(2,130)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	0	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)	(21)	(166)
	Net financing cash flows	(21)	2,834
	Net increase (decrease) in cash held	(1,457)	704
1.20	Cash at beginning of quarter/year to date	2,272	111
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	815	815

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	90
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	(325)
4.2 Development	-
4.3 Production	-
4.4 Administration	(140)
Total	(465)

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	815	2,272
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	815	2,272

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	200,543,930	200,543,930		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	40,108,785	40,108,785		
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 58,641,098 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	16,000,000	-	9.9 cents	31 August 2016
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 /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Date: 31 January 2015
(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.