



Quarterly Activities Report for period ended 30 June 2012

About Australia Oriental Minerals NL (“AOM”)

AOM is a diversified early-stage resource exploration company with joint venture interests in exploration for gold, copper in Queensland and silver in New South Wales, and more recently global gas and oil.

Section 1 – Exploration Activities in New South Wales and Queensland

New South Wales

Kiawarra EL 6269 (Silver Mines Ltd Joint Venture)

Silver Mines Ltd informed AOM of its intention to withdraw from this Joint Venture on 6 June 2012. AOM will seek a new Joint Venture Partner for this project.

An application for renewal of EL6269 has been submitted to the NSW Department of Trade and Investment - Resources and Energy.

There was no field work during the June quarter of 2012.

Queensland

Connors Arch Joint Venture

This group, in which SmartTrans is in joint venture with AOM, covers three tenements in the South Connors Arch Province which is prospective for porphyry-style copper-gold deposits and epithermal gold deposits.

Mount Mackenzie Prospect (40% equity, 15,680 hectares)

Located at Coppermine Creek in Central Queensland, Mount Mackenzie is an advanced exploration project. Diamond drilling by SmartTrans, together with the development of a comprehensive geological and geophysical model, has



demonstrated that Mt Mackenzie is one of the largest hydrothermal (high-sulphidation) systems in eastern Australia.

Drilling encountered significant gold and copper values in lead-zinc-silver mineralized breccias and extensive, intensely sulphidic, alteration under cover rocks at the “Instinct” Prospect located 500m to 1000m west of Mt Mackenzie.

Mineralisation is evident in:

- sulphide matrix polymict breccias of hydrothermal and probable intrusive origin;
- well-developed multidirectional quartz- sulphide stockworks;
- vughy silica alteration, and;
- haematized and probable supergene zones related to palaeo weathering, immediately below the unconformity with the cover sequence.

The potential for extensions to this system lies under the volcanic cover outside the limits of all previous drilling.

SmartTrans believes there is also significant potential for high grade deposits at Mount Mackenzie.

SmartTrans is seeking a suitable joint venture partner for this project.

The information in Section 1 of this report is based on information compiled by Phillip Kimber, who is a member of the Australian Institute of Mining and Metallurgy. Phillip Kimber has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Phillip Kimber consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Section 2 – Board changes, share placement and rights issue

Director Appointments and Resignation

Subsequent to the quarter end, AOM announced the appointment of two new Directors, Mr Colin Goodall and Mr Neil Young, and the resignation of Mr Geoffrey Andrews. Mr Goodall has also been appointed Chairman of AOM.

Share Placement and Rights Issue

The Company has signed a mandate letter with Taylor Collison to act as lead manager for a private placement of 100,000,000 new fully paid ordinary shares at \$0.0016 per share to raise \$160,000, before costs, for working capital purposes. The placement will be subject to shareholder approval as the new Directors intend to participate in the placement.

In addition to acting as Lead Manager for the placement, Taylor Collison have agreed to be appointed as the sole underwriter to a proposed Rights Issue. This Rights Issue is expected to be undertaken in Q3 2012, on a 1-for-3 basis at a price of \$0.001 per share to raise approximately \$790,000.

Section 3 – Palatine Energy Pty Limited

Palatine, which is owned 75% by AOM and 25% by Dr David Falvey and his associates, has retained the services of Dr Falvey on an exclusive basis to secure tenements prospective for shale gas, and other unconventional gas and oil.

Since the end of the quarter, the Company has reviewed the activities of Palatine, and it has been decided that the funding of ongoing activities for Palatine will be ceased.

The Company is currently progressing documentation to terminate the existing agreement with Palatine.

Tenements held by Australia Oriental Minerals NL

<i>Tenement Number</i>	<i>Current Area (sub-blocks / units)*</i>	<i>Remarks</i>
<i>Northern Territory</i>		
EP(A) 253	TBC **	Palatine JV: AOM 75%
EPA(A) 286	TBC **	Palatine JV: AOM 75%
<i>Queensland</i>		
EPM 10006	35	Mt Mackenzie JV: AOM:40%, SMA 60%
EPM 12546	8	Mt Mackenzie JV: AOM:40%, SMA 60%
EPM 17515	39	Mt Mackenzie West JV: AOM:40%, SMA:60%
<i>New South Wales</i>		
EL 6269	9	Kiawarra (Joint Venture with SVL)

* 1 unit (NSW) = 1 sub-block (Qld.) = 1' latitude x 1' longitude = approx. 3 sq. km.

SMA - SmartTrans Holdings Limited
SVL – Silver Mines Limited

** Subject to finalisation

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Australia Oriental Minerals NL

ABN

84 010 126 708

For the period ending

30 June 2012

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 reimbursement and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(141)	(202)
(b) development	-	-
(c) production	-	-
(d) administration	(111)	(164)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other : Refund of exploration bond deposit	-	20
Net Operating Cash Flows	(252)	(344)
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)	(252)	(344)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(252)	(344)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(252)	(344)
1.20	Cash at beginning of quarter/year to date	415	923
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of the period	163	579

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	14
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Consulting fees 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

NA

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

NA

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	20
4.2	Development	-
4.3	Production	-
4.4	Administration	60
Total		80

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	163	415
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of three months (item 1.22)		163	415

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of year	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

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	2,275,974,526	2,275,974,526		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	43,000,000 150,000,000 45,000,000	Director unlisted Director unlisted Unlisted	Exer price 3c Exer price 0.3c Exer price 0.3c	Expire 31/12/2013 Expire 08/12/2013 Expire 08/12/2013
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>				

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: 24 July 2012
(Company secretary)

Print name: Andrew Bursill
Company Secretary

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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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