

30 October 2012

Manager of Company Announcements
Australian Securities Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

QUARTERLY REPORT Period Ended 30 September 2012

September 2012 Quarter – Highlights

Sapes Gold Project - Greece

- The Preliminary Environmental Impact Study for the development of the Sapes Project was approved by the Ministry of Environment, Energy and Climate (MOE) on 16 July 2012.
- Ground geophysical surveys completed over the northern sector of the mining lease area. The results of the Ground Magnetic and 3D Induced Polarisation data have been reviewed and interpreted by an expert consultant geophysicist.
- New resource modelling on the Sapes gold deposits highlighted the potential to significantly increase the resource tonnage volumes from the current 2.6mt resource estimate.
- The Environmental Impact Study relating to the 2012 drilling program has received approvals from all relevant central, local and regional Government departments. The final signature of the Minister for MOE and corresponding approval is expected in early November 2012.
- The 5,000 m exploration drilling programme is scheduled to commence in Q4 2012.
- Preparation of the Environmental Impact Study for mine development continued and is expected to be finalised and lodged in Q4 2012.

Onion Lake Project – Canada

- Ground exploration programme including mapping and sampling commenced on the Onion Lake Project.

Annual General Meeting

Glory Resources Limited (ASX: GLY) (“**Glory**” or the “**Company**”) has scheduled its annual general meeting of shareholders to be held at 2.00pm (WST) on 23 November 2012. For further details, shareholders should refer to the Notice of Annual General Meeting announced on 17 October 2012.

BOARD

Jason Bontempo
Jeremy Wrathall
Bernard Aylward
Lui Giuliani

COMPANY SECRETARY

Pip Leverington

CORPORATE INFORMATION

Shares on issue	224m
Options on issue	29m
Cash	\$7.3m

SAPES GOLD PROJECT

Resources

830koz @ 10g/t Au

Reserves

637koz @ 15g/t

REGISTERED OFFICE

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ASX CODE

GLY



PROJECTS

GREECE - Sapes Gold Project

The Company's 100% owned Sapes Gold Project ("**Sapes**" or "**Sapes Project**") is a typical high-sulphidation epithermal gold deposit, which has a JORC Measured and Indicated Resource of 830koz at 9.8 g/t Au (Table 1) with identified JORC Proved and Probable Ore Reserve of 637koz at 15.1 g/t Au (Table 2).

Geology

Aurum Exploration Services ("**Aurum**"), an independent geological consulting firm based in Ireland, completed a study of the total drill hole database using Datamine software, which had not been previously defined and enabled a detailed three-dimensional re-evaluation of the various mineralised zones which comprise the deposits.

Using a 0.5 g/t gold cut-off grade for Viper and a 1 g/t Au cut-off for St. Demetrios and Scarp, as opposed to a 4 g/t Au cut-off used for the previous Viper resource estimation, wireframe modelling identified additional mineralised envelopes at Viper and enlarged those defined previously. This study resulted in a potential two to three fold increase in the resource tonnage volumes from the original 2.6mt quantified by the existing Mineral Resource estimate.

The newly defined mineralised envelopes will be tested in the forthcoming drilling programme together with a re-assessment of structural and lithological controls to the mineralisation.

Exploration Drilling Programme

The application for a 5,000 m diamond core ("**DC**") drilling exploration programme has progressed with positive recommendations and opinions being received from all relevant central, local and regional Government departments. The final signature of the Minister for MOE and corresponding approval is expected in early November 2012.

The drilling programme will test the strike extensions of the known high-grade Viper Deposit, evaluate the potential for economic mineralisation above it, as suggested by the Aurum resource modelling study, determine if additional zones of mineralisation occur at depth beneath that already evaluated and test geophysical anomalies. An example of the zones to be tested in more detail is that around the SD04 and SD08 intersections with significant lengths and grades (Table 3), which were never included in the existing Mineral Resource estimate. The Company believes that the drilling programme has the potential to add significant new resources to the existing Viper resource inventory.

Additional geotechnical information derived from the drilling will assist with the proposed initial development of the decline that passes through the mineralised area.



Geophysics Programme

Ground geophysics surveys were completed during the quarter. A 3D/IP-resistivity was conducted along a total of 124.8 line kilometres, along 200 m spaced lines and over an area of some 10.5 km² centred at Viper. A ground magnetometer was completed over a similar area along 30 lines spaced 100 m apart. Processing and interpretation of the geophysical data for the area surveyed is now complete and has highlighted a number of prospective targets.

A deep chargeable zone (which may be sulphide rich) has been identified beneath the known St. Demetrios and Scarp deposits and this presents drill targets for the future, as does a significant magnetic low corridor (hydrothermal fluid pathway) along which gold mineralisation has already been discovered locally.

Permitting & Socialisation

Approval of Sapes' Preliminary Environmental Impact Study ("PEIS") by the Gold Committee of the Greek Ministry of Environment was received on 16 July 2012. Approval of the PEIS further evidences the Greek Government's commitment to mine development in Greece.

The Company continues to progress the completion of its Environmental Impact Study ("EIS"), which is expected to be finalised and lodged during Q4 2012.

The Company continues to make good progress with its socialisation programmes with the Sapes community and authorities, as well as with the regional authorities.

CANADA - Onion Lake PGM-Cu-Ni Project

The Company currently holds a 30% interest in the Onion Lake Project, a prospective PGM-Cu-Ni project located approximately 50 km north of Thunder Bay, Ontario, Canada. The Onion Lake Project is adjacent to Magma Metals (Canada) Limited's Thunder Bay North Polymetallic Property which is host to an Indicated NI 43-101 and JORC compliant resource of 741,000 Pt equivalent ounces. Panoramic Resources Ltd recently completed the acquisition of former ASX/TSX listed Magma Metals via a corporate takeover to the value of \$40m.

Glory is currently completing the final stages of a summer mapping program on the Onion Lake Project. This phase of exploration was undertaken in order to thoroughly investigate the magnetic features interpreted from four rounds of geophysical surveying and modelling. The programs focus was on: 1) prospecting all prospective areas of the property for favourable ultramafic-mafic rocks; 2) the creation of a complete geological map of the property to aid in geophysical interpretation and modelling; 3) prospecting the linear and sinuous magnetic trends identified through interpretation of geophysics; and 4) evaluating access for diamond drilling. The present exploration program will finalise the first exploration expenditure commitment on the second phase of the earn-in on the Project moving Glory towards a 60% interest in the Project.



Exploration on the Onion Lake Project during this phase has led the discovery of a number of prospective narrow dykes, however the more interesting magnetic features on the property are buried under glacial till.

This exploration program is expected to be completed by mid-November of 2012. Geophysical interpretation and modelling to date has provided an abundance of potential diamond drill targets of which all will be ranked in preparation of a winter diamond drill program.

Jason Bontempo

Executive Director

Background Information

The Company is an Australian listed precious metal development & exploration company. The Company's flagship project is the Sapes Gold Project, an advanced high-grade gold development project located in north-eastern Greece approximately 30 km northwest of the Aegean Sea port city of Alexandroupoulos. Key details are:

- A feasibility study conducted in 2001 and updated in December 2010 shows JORC Measured and Indicated Resource of 830koz at 9.8g/t Au (Measured 647koz at 8.9g/t Au and Indicated 183koz at 14.9g/t Au) with identified JORC Proved and Probable Ore Reserve of 637koz at 15.1g/t Au (Proved 23koz at 3.5g/t Au and Probable 614koz at 17.2g/t Au).
- The feasibility study reports gold production of 510,000oz, total capex of US\$100m and cash opex cost of US\$297/oz over a seven-year mine life.
- Substantial opportunity for further exploration upside as no systematic exploration on the Sapes Project lease for 12 years.

The Company is also exploring the Onion Lake Project, which is prospective for Copper-Nickel-Platinum Group Elements and is comprised of approximately 190 km² of contiguous mining claims which are adjacent to Magma Metals Ltd (ASX:MMW) Thunder Bay North Polymetallic Property (732,000oz Pt equivalent resource). GLY holds the right to earn a 75% interest in the Onion Lake Project pursuant to a joint venture with TSX listed Benton Resources Limited. GLY has earned a 30% interest to date.

Competent person statement

The information in this release that relates to exploration results is based on information compiled by Mr Bernard Aylward. Mr Aylward is director of and a consulting geologist to Glory Resources Limited. Mr Aylward is a member of The Australasian Institute of Mining and Metallurgy and 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 a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Aylward consents to the inclusion in the report of the matters based on information in the form and context in which it appears

Orebody	Category	Cut-Off Grade (g/t)	Tonnes	Grades			Ounces of Gold
				Au Gold (g/t)	Ag (g/t)	Cu (%)	
Viper	Measured	4.0	710,000	22.2	11.5	0.4	507,000
St. Demetrios	Measured	1.0	730,000	3.5	3.2		82,000
Scarp	Measured	1.0	820,000	2.2	1.5		58,000
	sub-total		2,260,000	8.9	5.2	0.2	647,000
Viper	Indicated	4.0	280,000	19.5	9.0	0.4	176,000
St. Demetrios	Indicated	1.0	50,000	2.6	2.8		4,000



Scarp	Indicated	1.0	50,000	1.7	1.1		3,000
	sub-total		380,000	14.9	7.1	0.3	183,000
Rounded	Total		2,640,000	9.8	5.5	0.1	830,000

Resource Statement

The Mineral Resource statement in this ASX Release has been compiled by Dr Mike Armitage of SRK Consulting (UK) Ltd. Dr Mike Armitage is a member of the Institute of Materials, Minerals and Mining which is a "Recognised Overseas Professional Organisation" (ROPO) included in a list promulgated by the Australian Stock Exchange (ASX) from time to time and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Table 2: Sapes Project Reserves Statement

Orebody	Category	Cut-Off Grade (g/t)	Tonnes	Grades			Ounces of Gold
				Au Gold (g/t)	Ag (g/t)	Cu (%)	
St. Demetrios	Proved	1.0	200,000	3.5	5.2		23,000
	sub-total		200,000	3.5	5.2		23,000
Viper	Probable	4.0	1,109,000	17.2	8.8	0.3	613,000
St. Demetrios	Probable	1.0	10,000	3.6	4.4		1,000
	sub-total		1,119,000	17.2	8.8	0.3	614,000
Rounded	Total		1,319,000	15.1	8.2	0.3	637,000

Reserve Statements

The Viper Ore Reserve statement in this ASX Release has been compiled by Mr Malcolm Dorricott of AMC Consultants Pty Ltd. Mr Malcolm Dorricott is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. The St Demetrios Ore Reserve statement in this presentation has been compiled by Dr Mike Armitage of SRK Consulting (UK) Ltd. Dr Mike Armitage is a member of the Institute of Materials, Minerals and Mining which is a "Recognised Overseas Professional Organisation" (ROPO) included in a list promulgated by the Australian Stock Exchange (ASX) from time to time and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

Table 3: Drillhole intersections at higher elevations above the Viper orebody

Hole Id	East	North	Azim	Dip	Depth	Thick (m)	Au (g/t)	
SD08	655076	4542900	270	-50	128-185	57	8.0	Incl. 31.86 m at 13.3 g/t Au with 9.43 m at 40.1 g/t Au
SD04	644844	4542891	91.5	-50	121-140	19	0.47	
					149-200	51	1.79	Incl. 5 m at 13.5 g/t Au
					216-283	67	2.46	Incl. 22 m at 6.5 g/t Au with 10 m at 9.2 g/t Au

Notes: Intersections for SD04 and SD08 are based on 1/2HQ and NQ diamond core using a 0.2 g/t gold lower cut-off, no upper cut applied and maximum internal dilution of 4 consecutive metres. Diamond drilling was completed by Newcrest in 1994. QAQC procedures were routinely used to ensure assay quality. All drill information included in a database prepared by Glory Resources Limited in 2011

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

GLORY RESOURCES LIMITED

ABN

38 142 870 102

Quarter ended ("current quarter")

30 September 2012

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, permitting	(1,196)	(1,196)
(b) development	-	-
(c) production	-	-
(d) administration	(356)	(356)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	190	190
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,362)	(1,362)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(50)	(50)
(c) other fixed assets	(86)	(86)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	79	79
(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	(57)	(57)
1.13 Total operating and investing cash flows (carried forward)	(1,419)	(1,419)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,419)	(1,419)
	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	(100)	(100)
	Net financing cash flows	(100)	(100)
	Net increase / (decrease) in cash held	(1,519)	(1,519)
1.20	Cash at beginning of quarter/year to date	8,840	8,840
1.21	Exchange rate adjustments to item 1.20	(1)	(1)
1.22	Cash at end of quarter	7,320	7,320

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	(148)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of directors fees and consulting fees.

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

N/A

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

N/A

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	Nil	

+ See chapter 19 for defined terms.

3.2 Credit standby arrangements	Nil	
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Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	2,000
4.2	Development	-
4.3	Production	-
4.4	Administration	350
Total		2,350

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	820	340
5.2 Deposits at call	6,500	8,500
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	7,320	8,840

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	-	-	-	-
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	224,100,099	205,100,099		
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>			<i>Exercise price</i>	<i>Expiry date</i>
	200,000	-	\$0.30	31 Mar 2013
	10,000,000	-	\$0.17	15 Aug 2016
	5,000,000	-	\$0.17	27 Jul 2016
	11,285,000	-	\$0.25	31 Oct 2014
	1,350,000	-	\$0.25	28 Fe 2014
	1,000,000	-	\$0.25	30 Jun 2014
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 gives a true and fair view of the matters disclosed.

Sign here:
(Director/Company secretary)

Date: 30 October 2012

Print name: Pip Leverington

+ See chapter 19 for defined terms.

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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