

gsh/psh/gsh850

31 July 2012

The Manager - Company Announcements Office  
Australian Securities Exchange  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

Via ASX Online

Number of pages – 33

Dear Sir,

Quarterly activity report to 30 June 2012

Enclosed for release to the market is the Company's activity report for the quarter ended 30 June 2012 together with a duly completed Appendix 5B report for the period.

For and on behalf of the directors of  
Goldsearch Limited



P S Hewson  
Secretary

*for the quarter ended 30 June 2012*

### HIGHLIGHTS

#### **Exploration**

##### **Elaine 1**

- Inferred JORC resource of 26.1 million tonnes (Mt) grading 0.56% Cu (copper) and 0.09 grams per tonne (g/t) Au (gold) (0.62% copper equivalent (CuEq) at a 0.25% CuEq cut-off, with contained metal content of 146,000 tonnes (t) Cu and 74,000 ounces (oz) gold
- Broad copper intersections include 120 metres (m) grading 0.56% Cu, 0.08g/t Au and 272 parts per million (ppm) cobalt (Co) from 505m in MKED023
- Near surface copper intersection of 47m grading 0.43% Cu, 0.06g/t Au and 170ppm Co from 86m in MKED026
- Intersections of 22m grading 0.51% Cu, 0.57g/t Au and 349ppm Co from 146m and a high-grade gold zone of 11m grading 0.39% Cu, 3.03g/t Au, 350ppm Co and 0.49% bismuth (Bi) from 175m
- Elaine to Mary Kathleen – 6 kilometres (km) of untested strike of probable skarn replacement mineralisation

#### **Equity investments**

- The market value of the Company's equity investments at 30 June 2012 was \$884,371

**Goldsearch  
Limited**

ABN 73 006 645 754

Level 4

20 Loftus Street

SYDNEY NSW 2000

# GOLDSEARCH

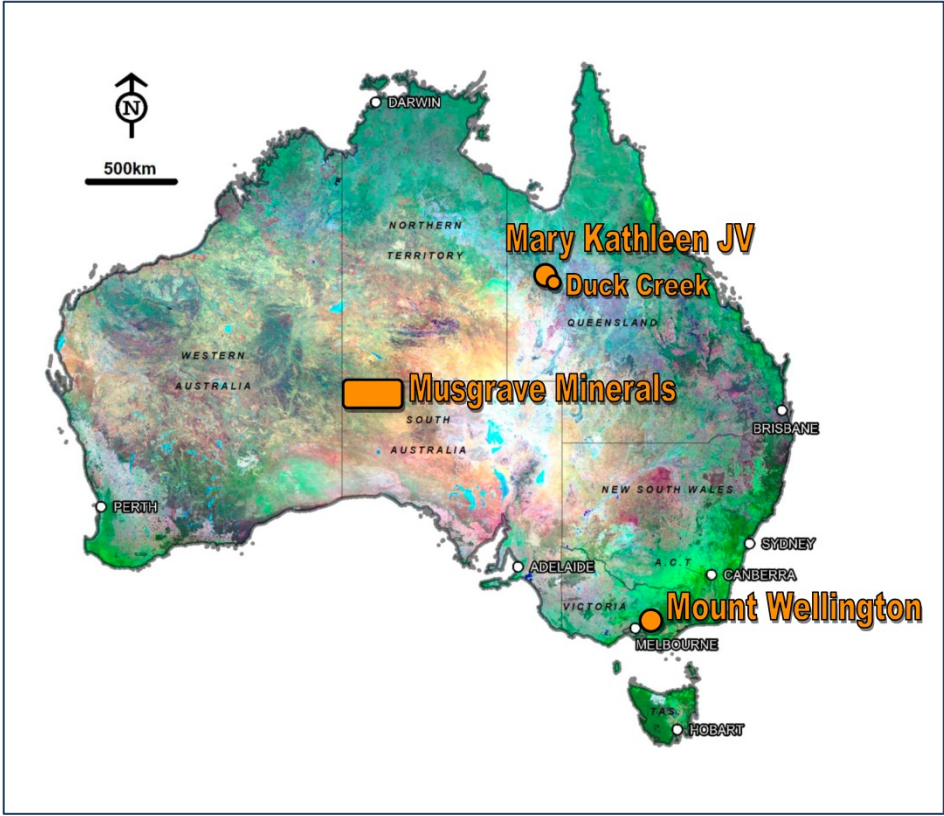


Figure 1: Goldsearch Limited - Project locations

## MARY KATHLEEN JOINT VENTURE (QUEENSLAND)

CYU 70%, GSE 30% copper-gold-cobalt, uranium-rare earth elements

### SUMMARY

Chinalco Yunnan Copper Resources Limited (CYU) manager and Goldsearch Limited (GSE) continue to advance its projects in north-west Queensland with the release of an initial resource of 26.1 Mt with a contained metal content of 146,000t of copper and 74,000oz of gold at its Elaine copper-cobalt-gold prospect. CYU/GSE continued drilling the Elaine copper-gold-cobalt-light rare earth element (LREE) mineralised zone returning intersections along strike, near surface and at depth from the resource evaluation area, demonstrating the growth potential of the resource. Preparation and planning is underway for further resource infill, extensional drilling and metallurgical test work.

CYU and GSE are continuing to advance their discoveries by undertaking delineation and scout drilling within the Mary Kathleen style uranium (U)-REE and Iron Oxide Copper Gold (IOCG) belt in the Mount Isa region of north-west Queensland.

### ELAINE – COPPER-GOLD-COBALT-LREO (LIGHT RARE EARTH OXIDE)

At the end of the quarter an Inferred JORC resource of 26.1Mt grading 0.56% copper and 0.09g/t gold (0.62% CuEq) at a 0.25% CuEq cut-off, with contained metal content of 146,000t copper and 74,000oz gold, for the Elaine copper, gold, light rare earth elements (LREE), uranium and thorium prospect (a.k.a. Elaine 1) was completed (Table 1).

**Table 1.** Resource Table at increasing CuEq (%) cut-offs

Cut-off CuEq (%)	Tonnage (t)	CuEq (%)	Cu (%)	Cu (t)	Cu (lbs) (x1000)	Au (g/t)	Au (oz)
0.10	64,340,000	0.34	0.31	201,000	443,129	0.05	94,000
0.20	32,770,000	0.54	0.49	160,000	352,740	0.08	79,000
<b>0.25</b>	<b>26,100,000</b>	<b>0.62</b>	<b>0.56</b>	<b>146,000</b>	<b>321,875</b>	<b>0.09</b>	<b>74,000</b>
0.30	22,810,000	0.67	0.60	138,000	304,238	0.10	71,000
0.40	17,810,000	0.76	0.68	121,000	266,759	0.12	66,000
0.50	15,050,000	0.82	0.73	110,000	242,509	0.13	63,000
0.60	12,470,000	0.88	0.77	96,000	211,644	0.15	60,000
0.70	9,310,000	0.95	0.82	77,000	169,756	0.19	56,000
0.80	6,460,000	1.04	0.87	56,000	123,459	0.25	51,000

# GOLDSEARCH

## *Notes to Accompany Mineral Resource Estimate:*

- 1. Geological modelling and data acquisition was undertaken by CYU geological staff.*
- 2. Metal domain and block model with grade estimate prepared by Mr. Steven Ristorcelli C.P.G who is a full-time employee of Mine Development Associates.*
- 3. Gold assays by 30-gram fire assay with AAS finish, copper, cobalt, uranium, thorium and other elements assays by multi-acid digestion with ICP-MS or ICP-AES; all assays undertaken by ALS Chemex, Mount Isa, QLD.*
- 4. In-situ bulk density values ranging from 3.19 t/m<sup>3</sup> to 3.52 t/m<sup>3</sup> were assigned based on lithology.*
- 5. A geological block model with block sizes of 5m x 5m x 10m was constructed.*
- 6. Cu and Au grades were estimated using inverse distance squared interpolation within parent blocks constrained within two metal domains, with a minimum of one sample, maximum of four samples per drill hole and a maximum of 16 samples per block estimate.*
- 7. High-grade capping was applied to the sample data prior to compositing to 5m lengths: at 1% Cu and 3% Cu, for the low-grade and high-grade copper domains, respectively, 1.5g Au g/t and not capped for the low and high-grade domains of gold, respectively.*
- 8. QA/QC checks on sampling and assaying quality are satisfactory.*
- 9. The reported mineral resource estimate has been rounded to appropriate significant figures*
- 10. Copper Equivalent (CuEq%) = Cu (%) + (Au (g/t) x 0.70216)*

Independent resource consultants Mine Development Associates (MDA) of Reno, Nevada, USA completed the initial resource estimate. The resource estimate has been prepared in compliance with the disclosure and reporting requirements set forth in the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). This initial resource is reported as Inferred using JORC Code guidelines and incorporates both historic and recent drilling results. The resource incorporated 65 drill holes totalling 16,238m with 9,500 – 10,000 assays. The 65 drillholes comprise 30 historic holes (11 holes (738m) drilled in 1955 and 19 holes (3,107m) drilled in 1980), 6 holes (924m) drilled in 2005 to 2007 by joint venture partner GSE and 29 holes (11,469m) drilled from November 2009 by CYU, including one RC water bore (35m). Final assay results were received up to and including MKED023. At the time of resource estimation assays were still pending for MKED024 – MKED028 and only geological data from these holes was utilised in the estimation.

The Elaine 1 deposit is a multi-element deposit and eight metals (Cu, Au, Co, U, Th, Ce, La, Nd) were estimated for this study. Only copper and gold are reported in the resource, as Elaine 1 is an early-stage project whose resource is just being defined and for which there is no metallurgical test work. Based primarily on geological data in the absence of metallurgical test work, copper is the most attractive metal from a metallurgical perspective, with the potential for conventional flotation recovering about 80% of the copper value. Gold values are expected to report with copper and may have a potential recovery of about 60%. Uranium, thorium, and the LREEs occur both together and separately from the copper, which may permit them to be extracted using standard rare earth oxide leach-extraction techniques, albeit at a high cost of treatment. Cobalt values are low and may not warrant extraction. Two domains each were defined for copper and gold and modelled on section and then on plan. The lower-grade domains are generally

described as having disseminations and stringer zones of mineralisation. The higher-grade domains have more disseminations and stringer mineralisation, but they are mostly characterised by patchy replacements of sulphide minerals. The drillhole sample intervals were coded by their defined domains, capped and then composited to 5m lengths. Variography studies showed grade continuity for copper to be about 100m or more.

MDA classified the resource as Inferred mostly to reflect the stage of the exploration at Elaine 1. The exploration work done and the resulting data are high quality and the classification of Inferred does not suitably reflect that work but due to sparse drilling, the certainty in location of the grades is lower than could be used for pre-feasibility work or Indicated classification. The resource and all the mineralisation defined to date are open-ended at depth and to the north-north-east and south-south-east.

CYU continued drilling at Elaine during the quarter and resource estimate. An additional 6 diamond holes (MKED029 – MKED034) totalling 1,620.6m were drilled testing additional regional targets (Elaine 2 and Elaine 3) and extensions to the resource area (Table 2). Encouraging visual copper mineralisation intersected in MKED029 and MKED034 are evidence of the growth potential of the resource.

**Table 2.** Diamond drillholes drilled at Elaine during the June quarter 2012

HOLE ID	EAST*	NORTH*	RL (m)	AZIMUTH**	DIP	DEPTH	COMMENT
MKED023 <sup>1</sup>	398,227	7,699,573	459	328	-70	891.7	Elaine 1
MKED026 <sup>1</sup>	398,057	7,699,621	399	310	-60	294.6	Elaine 1
						1,186.3	
MKED029	398,123	7,699,442	417	285	-70	633.8	Elaine 1
MKED031	398,123	7,699,441	418	271	-50	329.8	Elaine 1
MKED032 <sup>2</sup>	398,107	7,699,476	417	290	-65	16.8	Elaine 1
MKED033 <sup>2</sup>	398,107	7,699,476	417	290	-65	18.5	Elaine 1
MKED034	398,109	7,699,476	417	305	-65	432.3	Elaine 1
						1,431.2	
MKED024 <sup>1</sup>	399,012	7,698,874	423	205	-60	150.6	Elaine 2
MKED025 <sup>1</sup>	399,263	7,698,527	441	0	-90	114.8	Elaine 3
MKED027 <sup>1</sup>	398,962	7,698,719	465	0	-90	114.6	Elaine 2
MKED028 <sup>1</sup>	398,695	7,698,938	446	180	-60	156.4	Elaine 2
MKED030	399,265	7,698,884	466	236	-60	189.4	Elaine 2
						725.8	
						<b>3,343.3</b>	

\*Datum is UTM MGA94 Zone 54

\*\* Azimuth is UTM Grid North

<sup>1</sup> Drilled Q1 2012 – assays pending

<sup>2</sup> Holes abandoned, MKED034 re-drill.

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The five scout diamond drill holes (MKED024 – MKED025, MKED027 – MKED028 and MKED030), totalling 725.4m were drilled approximately 1km south-east of Elaine 1, at the Elaine 2 and Elaine 3 prospect along strike of the significant regional Mary Kathleen shear (Figure 4). Drilling focused on the evaluation of copper, rare earth and thorium potential targeting areas of historic drilling, ground scintillometer/radiometric and soil geochemistry anomalies.

At end of the quarter assays results have been returned for all the holes to date except for MKED034 (Table 3).

**Table 3.** Summary of significant Copper-Gold intersections grading 0.25% CuEq with a maximum of 3m internal dilution

Hole_ID	mFrom	mTo	Width	Cu (%)	Au (g/t)	CuEq (%)	Co (ppm)	Comment	
<b>MKED023</b>	121	128	7	0.30	0.06	0.34	52		
<b>MKED023</b>	451	454	3	0.44	0.10	0.51	250		
<b>inc</b>	452	453	1	1.00	0.20	1.14	336	1% CuEq cut-off	
<b>MKED023</b>	463	497	34	0.47	0.42	0.77	586		
<b>inc</b>	464	478	14	0.77	0.84	1.36	574	0.50% CuEq cut-off	
<b>inc</b>	464	470	6	1.62	1.41	2.61	174	1% CuEq cut-off	
<b>MKED023</b>	505	625	120	0.56	0.08	0.62	272		
<b>inc</b>	517	536	19	0.55	0.04	0.57	198	0.50% CuEq cut-off	
<b>inc</b>	544	568	24	0.70	0.08	0.76	369	0.50% CuEq cut-off	
<b>inc</b>	572	595	23	0.85	0.19	0.98	275	0.50% CuEq cut-off	
<b>inc</b>	581	585	4	1.34	0.27	1.53	171	1% CuEq cut-off	
<b>inc</b>	589	595	6	0.99	0.40	1.27	134	1% CuEq cut-off	
<b>MKED023</b>	599	623	24	0.59	0.07	0.64	166		
<b>inc</b>	612	618	6	1.03	0.07	1.08	141	1% CuEq cut-off	
<b>MKED023</b>	640	656	16	0.81	0.18	0.93	637		
<b>inc</b>	643	656	13	0.95	0.21	1.10	771	1% CuEq cut-off	
<b>MKED023</b>	661	696	35	0.39	0.06	0.44	251		
<b>MKED023</b>	700	711	11	0.31	0.10	0.39	224		
<b>MKED024</b>	0	150.6	150.6	No significant Intersections					
<b>MKED025</b>	0	114.8	114.8	No significant Intersections					
<b>MKED026</b>	21	27	6	0.41	0.02	0.42	365		
<b>MKED026</b>	66	68	2	0.43	0.02	0.44	390		
<b>MKED026</b>	86	133	47	0.43	0.06	0.47	170		
<b>inc</b>	86	113	27	0.48	0.08	0.54	145	0.50% CuEq cut-off	
<b>inc</b>	117	122	5	0.62	0.07	0.67	292	0.50% CuEq cut-off	

**Table 3.** (Continued)

<b>MKED026</b>	146	168	22	0.51	0.57	0.91	349	1% CuEq cut-off
<b>inc</b>	146	162	16	0.57	0.67	1.04	404	
<b>MKED026</b>	175	186	11	0.39	3.03	2.52	350	1% CuEq cut-off
<b>inc</b>	177	186	9	0.47	3.63	3.02	413	
<b>MKED027</b>	0	114.6	114.6	No significant Intersections				
<b>MKED028</b>	16	17	1	0.40	0.02	0.41	65	
<b>MKED029</b>	22	25	3	0.26	0.02	0.27	55	
<b>MKED029</b>	30	49	19	0.36	0.02	0.37	173	
<b>MKED030</b>	54	56	2	0.02	0.40	0.30	33	
<b>MKED031</b>	0	2	2	0.53	0.02	0.55	163	
<b>MKED031</b>	63	68	5	0.49	0.02	0.51	322	
<b>MKED032</b>	0	16.8	16.8	Drillhole abandoned – Not Sampled – MKED033 redrill				
<b>MKED033</b>	0	18.5	18.5	Drillhole abandoned – Not Sampled – MKED034 redrill				
<b>MKED034</b>	0	432.3	432.3	Assays Pending				

Copper equivalent calculated on copper and gold only as per Elaine JORC resource ( $CuEq(\%) = Cu(\%) + (Au(g/t) \times 0.70216)$ ).

Drilling at Elaine 1 returned numerous significant widths of strong sulphide mineralisation (chalcopyrite, pyrite and pyrrhotite) along strike and up dip from the open resource area. Broad copper intersections include 120m grading 0.56% Cu, 0.08g/t Au and 272ppm Co from 505m in MKED023.

MKED026, drilled to test the up dip potential and postulated surface expression of the main mineralised body at Elaine 1 returned a near surface copper intersection of 47m grading 0.43% Cu, 0.06g/t Au and 170ppm Co from 86m (approximately 50m from surface). In addition two copper-gold intersections were returned of 22m grading 0.51% Cu, 0.57g/t Au and 349ppm Co from 146m and a high-grade gold zone of 11m grading 0.39% Cu, 3.03g/t Au, 350ppm Co and 0.49% Bi from 175m.





**An example of the high-grade gold bismuth mineralisation in the core of the Elaine copper cobalt REE Thorium deposit. Intercept is 11.5g/t gold, 2.3% bismuth, 0.28% copper from 178 to 179m.**

In addition, elevated zones of rare earth-uranium-thorium mineralisation were also intersected in all holes except MKED030 (Elaine 2) with MKED023, MKED026, MKED027 (Elaine 2) and MKED029 returning significant intersections, highlighted by 6m grading 3,223ppm TREO, 149ppm U<sub>3</sub>O<sub>8</sub> and 462ppm ThO<sub>2</sub> from 874m including 3m grading 5,168ppm TREO, 285ppm U<sub>3</sub>O<sub>8</sub> and 827ppm ThO<sub>2</sub> from 877m in MKED023, 3m grading 4,750ppm TREO, 397ppm U<sub>3</sub>O<sub>8</sub> and 30ppm ThO<sub>2</sub> from 63m including 1m grading 10,044ppm TREO, 873ppm U<sub>3</sub>O<sub>8</sub> and 31ppm ThO<sub>2</sub> from 64m in MKED026, 34m grading 2,094ppm TREO, 28ppm U<sub>3</sub>O<sub>8</sub> and 180ppm ThO<sub>2</sub> from 8m in MKED027 and 16m grading 1,840ppm TREO, 74ppm U<sub>3</sub>O<sub>8</sub> and 198ppm ThO<sub>2</sub> from 83m in MKED029.

The rare earth and associated uranium-thorium mineralisation is interpreted as a separate mineralising event that overlaps with the copper-cobalt-gold mineralisation in places. For Elaine 1 TREOs consist of >95% the three light rare earth elements of cerium, lanthanum and neodymium as opposed to the Elaine 2 and Elaine 3 prospects where TREOs consist of 65%-95% LREE (Ce, La, Nd) and 5%-35% HREE (Dy, Gd, Er, Tb).

**Table 4.** Summary of Significant TREO-uranium –thorium Intersections grading 1,500ppm TREO (max of 3m internal dilution)

Hole_ID	mFrom	mTo	Width	ThO2 (ppm)	U3O8 (ppm)	TREO (ppm)	LREO (%Tot)	HREO (%Tot)	Y2O3 (%Tot)
MKED023 inc	620	634	14	187	49	2,060	94	3	3
	623	632	9	228	57	2,347	96	2	2
MKED023	687	700	13	63	27	1,975	95	2	4
MKED023	710	720	10	91	41	2,574	95	2	2
MKED023 inc	738	741	3	371	142	2,688	94	3	4
	738	740	2	467	183	2,968	94	2	3

**Table 4. (Continued)**

<b>MKED023</b>	747	756	9	188	50	2,335	94	2	3
<b>MKED023</b>	760	778	18	205	46	2,149	91	4	5
<b>inc</b>	763	771	8	302	67	2,610	93	3	4
<b>MKED023</b>	821	832	11	262	57	1,732	92	3	5
<b>inc</b>	821	828	7	330	73	1,871	94	2	4
<b>MKED023</b>	837	848	11	176	48	1,599	88	5	8
<b>MKED023</b>	874	880	6	462	149	3,223	95	2	2
<b>inc</b>	877	880	3	827	285	5,168	97	1	1
<b>MKED023</b>	888	890	2	633	207	3,550	94	2	3
<b>MKED024</b>	31	45	14	152	35	1,692	87	5	9
<b>MKED024</b>	55	74	19	173	47	1,964	83	6	11
<b>MKED025</b>	23	32	9	296	65	2,051	94	2	4
<b>inc</b>	24	32	8	308	68	2,163	95	2	4
<b>MKED025</b>	38	49	11	266	54	1,928	95	2	4
<b>MKED025</b>	71	97	26	212	34	1,554	94	2	4
<b>inc</b>	71	76	5	325	51	2,371	95	2	3
<b>MKED026</b>	63	66	3	30	397	4,750	98	1	1
<b>inc</b>	64	65	1	31	873	10,044	99	1	0
<b>MKED026</b>	185	200	15	45	30	2,279	96	1	3
<b>MKED027</b>	8	42	34	180	28	2,094	83	6	11
<b>inc</b>	21	28	7	247	23	2,722	86	5	9
<b>MKED027</b>	87	99	12	105	11	1,735	78	8	14
<b>MKED028</b>	79	92	13	165	38	1,937	89	4	8
<b>inc</b>	79	82	3	346	92	3,214	93	3	4
<b>MKED029</b>	83	99	16	198	74	1,840	90	4	6
<b>inc</b>	88	94	6	290	127	2,413	93	3	4
<b>MKED029</b>	133	154	21	190	55	1,729	90	4	7
<b>inc</b>	146	153	7	236	69	1,724	90	4	6
<b>MKED030</b>	0			No significant Intersections					
<b>MKED031</b>	35	41	6	160	26	2,173	92	3	4
<b>MKED031</b>	89	92	3	149	38	1,703	90	4	6
<b>MKED031</b>	96	107	11	147	40	1,596	90	4	6
<b>MKED032</b>	0			Drillhole abandoned – Not Sampled – MKED033 redrill					
<b>MKED033</b>	0			Drillhole abandoned – Not Sampled – MKED034 redrill					
<b>MKED034</b>	0	432. 3	432.3	Assays Pending					

Elaine 1 is a unique deposit with multiple phases of mineralisation and multiple important metals. An interpreted extension of the Mary Kathleen shear zone controls mineralisation along a north-east strike with a steep south-east dip. Copper, cobalt and gold are generally restricted to the shear zone, while uranium, thorium and the LREE's extend outside of, and envelop, the shear. Stratiform limbs of mineralisation also extend out to the south-east and dip north-north-east at about 60°, apparently paralleling original bedding in calc-silicate/garnetite. Copper, gold, cobalt, and LREEs occur as replacement-style mineralisation with uranium and thorium, which is analogous to the Mary Kathleen deposit about 6km to the north (Figure 2).

Continued refining of the geological interpretation and 3D re-modelling of the drillhole data has helped to redefine the orientation of the mineralised system. A new exploration model comparable to the Mary Kathleen Uranium deposit has identified the occurrence of a sulphide body that has developed in the vicinity of the Mary Kathleen shear zone, characterised at Elaine by NE striking SE steeply dipping biotite schist. From detailed interpretation a steep dipping feeder zone is interpreted to have used the shear zone as a conduit, extending from depth upwards and then along and replacing the horizontal bedding of the host banded calc-silicate rocks, forming a shallow dipping to horizontal zone coming to within 50m of surface. Unlike the uranium-rare earth dominate mineralisation at the Mary Kathleen Mine, the Elaine body is dominated by copper-cobalt±gold mineralisation.

Follow up field work of detailed geological mapping, geochemical and geophysical surveys are currently being undertaken in defining the next phase of drilling at the Elaine 2 and Elaine 3 prospects and to investigate the Mary Kathleen shear strike extensions. Planning is underway for metallurgical test work and refined delineation drilling at Elaine 1 for the rest of the 2012 field season.



## **PRINCE OF WALES CU-AU-FE**

The Prince of Wales Cu-Au prospect is located approximately 22km south of the Mary Kathleen uranium mine in an area known as the Fountain Range. It consists of numerous sediment and ironstone outcrops striking north-east over a distance of approximately 2km.

The prospect has been mined in two phases, the first closing in 1959 and the second ending in 1969. Exploration activity has occurred in various stages since the 1950s. POW has been subject to numerous geophysical surveys which have identified a number of magnetic and induced polarisation (IP) anomalies over the area. In addition, several geochemical surveys have identified Cu anomalies trending NE-SW over a strike length of 2km.

During the quarter CYU has undertaken data compilation of a deep penetrating EM geophysical survey (EH4) carried out in late 2011 and follow up field investigations. Field surveys are planned to commence in the September quarter with a XRF soil extension program covering a strong magnetic anomaly to the north of the POW workings and to close off significant Cu geochemical anomalies previously reported. Detailed geophysical surveying is proposed for drill targeting. Exploration drilling is proposed to commence late in the September 2012 quarter.

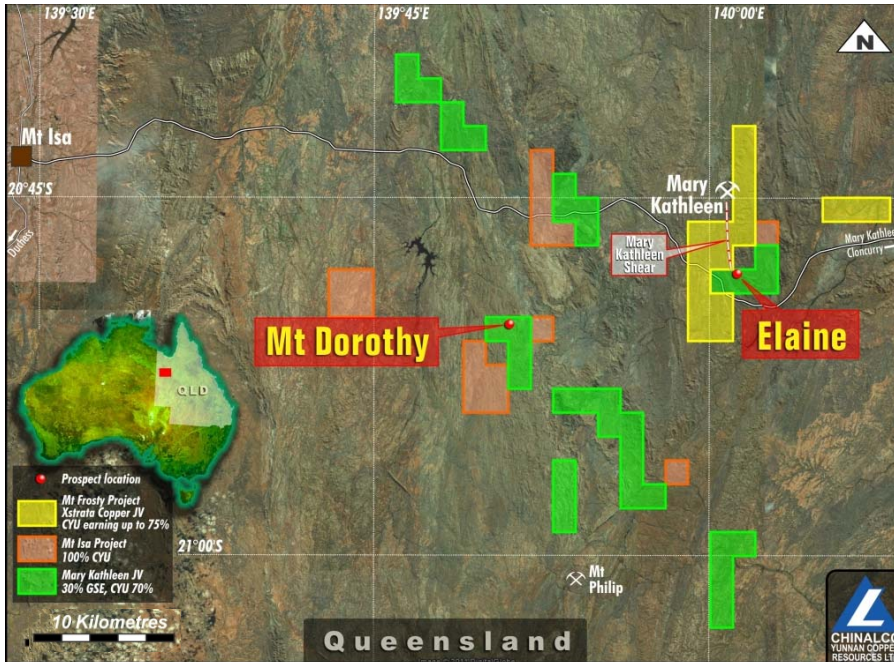
## **MOUNT DOROTHY CU-CO-HREO+Y (HEAVY RARE EARTH OXIDE + YTTRIUM)**

No field work has been undertaken on the prospect.

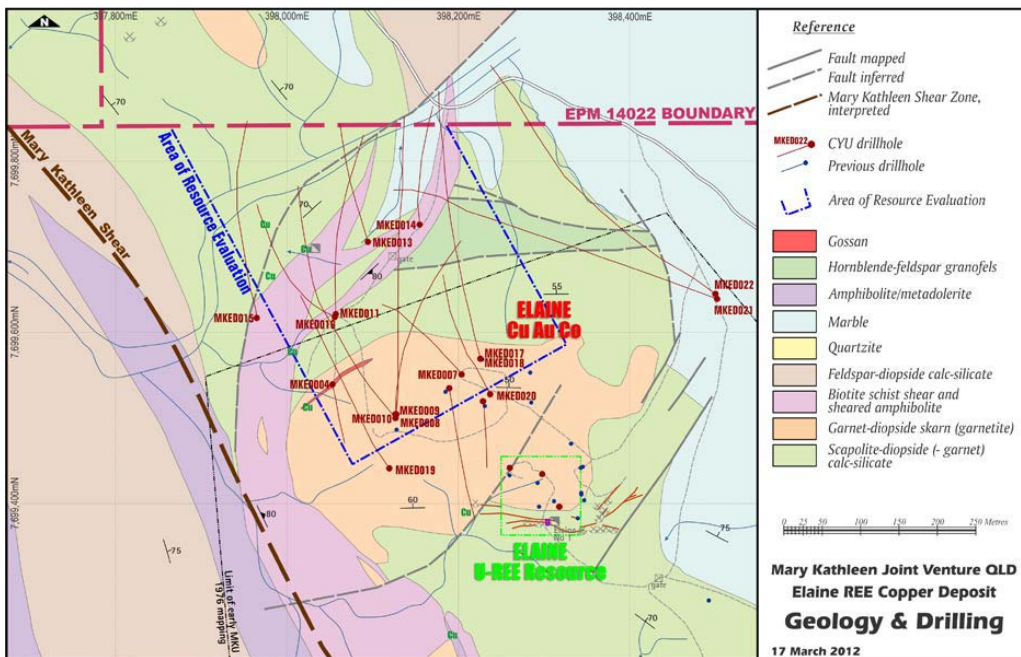
Desktop reviews on the 3D Inversion modelling of the SAM (Sub-audio magnetics) survey data, which defined an approximately 700m long conductivity anomaly, have been completed. A number of areas have been identified for follow up field investigation when access is permitted. This anomaly continues north-east under cover and appears to coalesce with the Wee Wyeems (north-east trending) mineralised zone at its southern end.



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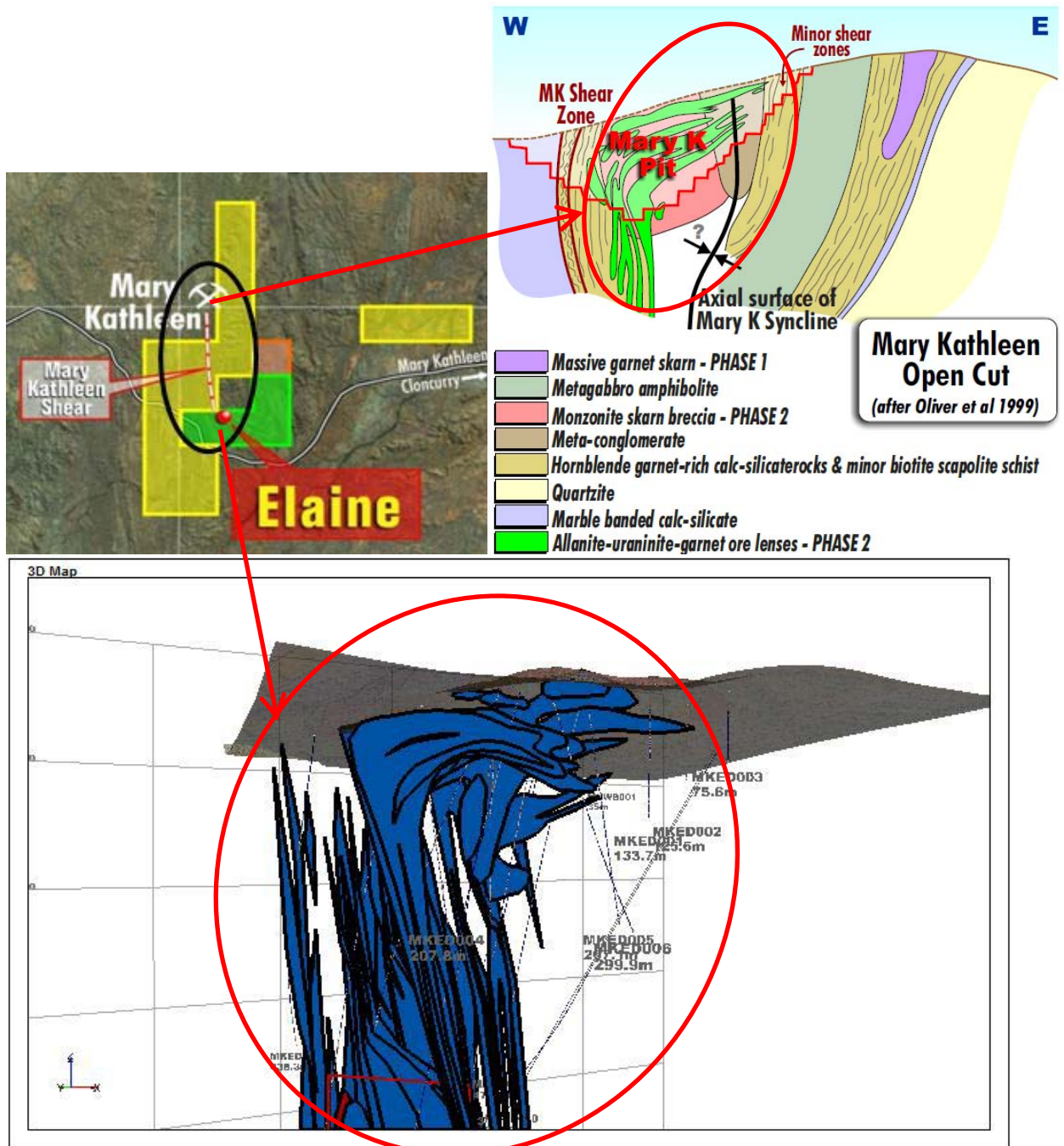


**Figure 2.** Tenement and prospect location plan of the Mary Kathleen and Mount Frosty Joint Venture projects. The Elaine prospect is located approximately 60km east of Mount Isa and is situated along the 6.5km Mary Kathleen shear zone. CYU/Goldsearch is farming into Xstrata Copper's Mt Frosty project and is planning to commence exploration on known Elaine style REE copper gold sulphide occurrences.



**Figure 3.** Simplified map showing north side of the Elaine garnet hill. Mineralisation is expected to continue down the western side and on the southern side of the hill and merge with the U-REO Resources where untested copper outcrops occur.

# GOLDSEARCH



**Figure 4.** Shear zone. Suggestive that the 6km untested shear between Mary Kathleen and Elaine is host to multiple deposits



## MUSGRAVE MINERALS LIMITED (ASX:MGV)

GSE has a significant direct share interest in MGV

### Highlights

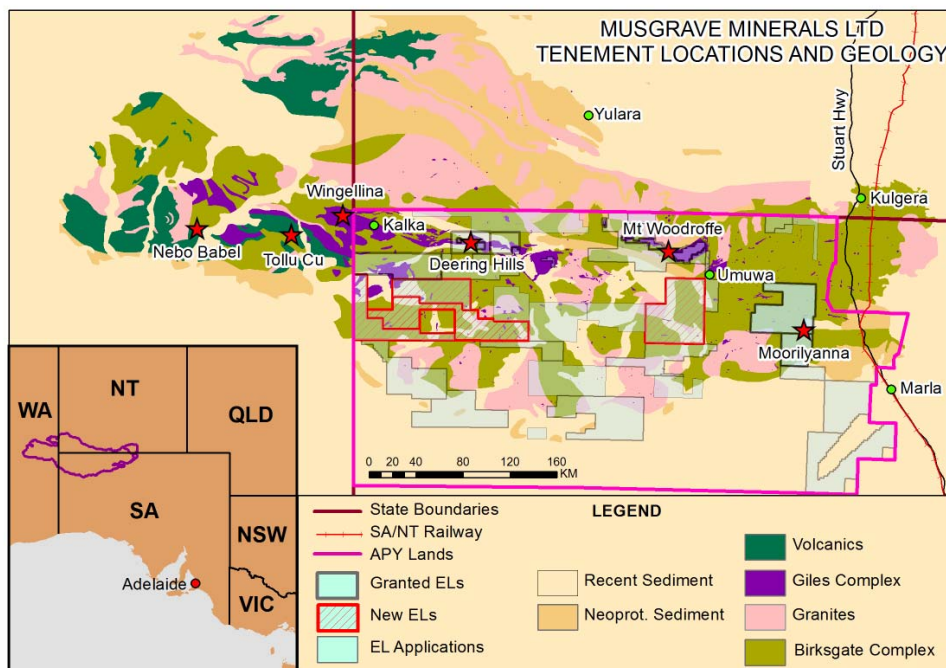
- Strong financial position with \$13.6M cash
- **Mimili Project** - Primary copper mineralisation identified in reverse circulation (“RC”) drilling program at the Moorilyanna Prospect
- **Deering Hills Project** - Disseminated and stringer nickel-copper sulphides in Giles Complex gabbro’s intersected at Deering Hills in diamond core
- **Mt Woodroffe Project** - High priority versatile time-domain electromagnetic (VTEM) target identified co-incident with geochemical, magnetic and gravity anomaly
- **Other projects** - Four additional exploration licences with a total area of 7,300km<sup>2</sup> granted to Musgrave Minerals
- **Upcoming plans**
  - Deering Hills vacuum drilling program to re-commence in August
  - Ground EM survey at Mt Woodroffe
  - New regional airborne VTEM survey commenced

### INTRODUCTION

During the June 2012 quarter, the Company commenced a reverse circulation (RC) drilling program at the Moorilyanna Prospect, part of the Mimili Project, and a diamond drilling program at the Deering Hills Project.

Musgrave also secured four new exploration licences in far north-west South Australia, which has doubled the Company’s granted tenure from 5,590km<sup>2</sup> to 12,800km<sup>2</sup>.





**Figure 5.** Musgrave Minerals project location map

## CORPORATE

During the period, Musgrave spent \$1.31 million on exploration activities.

At the end of the June 2012 quarter, the Company was well resourced to systematically explore within its Musgrave exploration land holdings and evaluate other opportunities with more than \$13.6 million in cash.

## EXPLORATION ACTIVITIES

The Company's exploration during the June 2012 quarter focused on the Mimili, Deering Hills and Mount Woodroffe Projects. Drilling was undertaken on two main projects areas – Moorilyanna, which is part of the Mimili Project, and at Deering Hills.

Drilling at the Moorilyanna copper prospect consisted of testing six basement targets at shallow to moderate depths. All targets are coincident with existing near-surface copper mineralisation and IP geophysical anomalies. The program consisted of 19 RC holes over seven drill traverses for approximately 2,982m, with target depths varying from 80m to 180m. Primary hydrothermal copper mineralisation was intersected within multiple targets over narrow widths.





Musgrave's activities at Deering Hills focused on drill testing two basement targets (Valen and Galen) and continuing to define new targets through the acquisition of regional data. This included geological mapping, a regional gravity survey and targeted vacuum geochemical drilling.

The Valen and Galen targets were identified through airborne electromagnetic survey as late time conductors at shallow-moderate depths. Four diamond drill holes for a total of 552.2m were drilled to test these targets. Disseminated and stringer copper sulphides were intersected in Giles Complex gabbro's at Valen with the best intersection up to 0.3% Cu over narrow width.

The regional geochemical vacuum drilling program continued at Deering hills where 139 holes for 3,046.9m were drilled within the interpreted prospective Giles corridor. The program has identified a number of regional nickel-copper-PGE geochemical anomalies for follow-up.

Surface mapping and sampling at Mt Woodroffe has highlighted a high priority co-incident electromagnetic, geochemical and magnetic target for follow-up exploration and drill testing.

### **Mimili Project**

#### **EL3954 & EL3955 (100% Musgrave Minerals Ltd)**

The Mimili Project consists of two wholly-owned exploration licences, EL3954 and EL3955, and is located in the eastern portion of the Musgrave region.

The Moorilyanna copper-gold prospect was identified by Musgrave Minerals and is dominantly located on tenement EL3955 less than 40km from the Stuart Highway and Adelaide to Darwin rail line.

### **Moorilyanna Prospect**

#### **EL3955 and EL3954 (100% Musgrave Minerals Ltd)**

Musgrave Minerals commenced an RC drilling program at its Moorilyanna Prospect in early April 2012. The program aimed to test six basement targets at shallow-moderate depths. All six targets were co-incident with existing near-surface copper mineralisation and IP geophysical anomalies.

The program consisted of 19 RC holes (Figure 6) testing all six targets over seven drill traverses for a total of 2,982m. Drillhole depths varied from 36m to 282m.

Hydrothermal copper mineralisation was intersected in a number of holes with best results received in drillhole MOORC005 which intersected 2m grading 0.41% Cu from 94m down hole. Other intersection

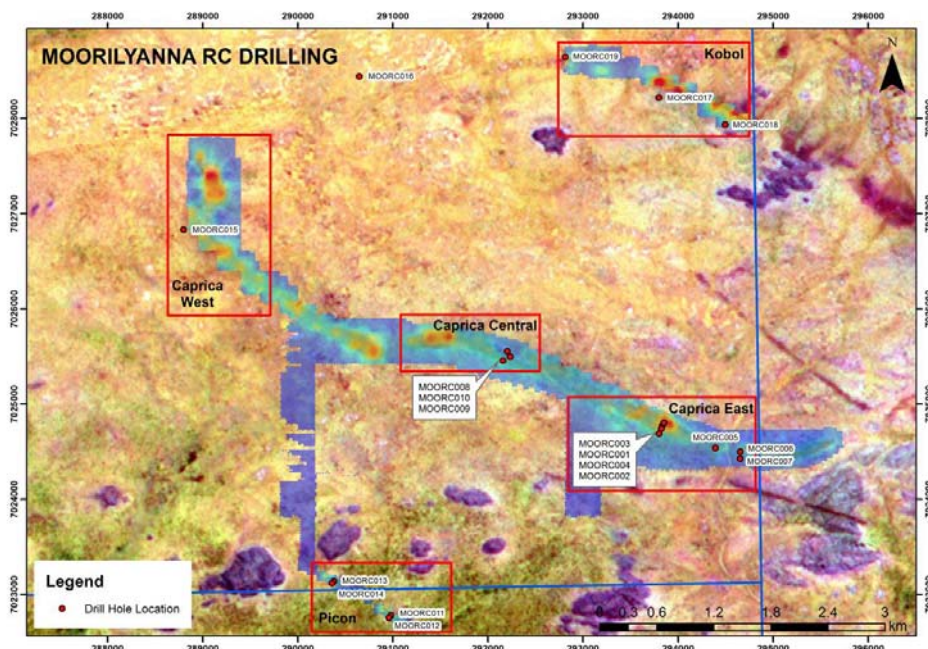
include 15m grading 0.11% Cu from 85m in MOORC005, 10m grading 0.18% Cu from surface in MOORC006 and 10m grading 0.1% Cu from 35m in MOORC013.

Drilling data is currently being compiled and the remaining targets assessed. The IP anomalies are interpreted to reflect the response from a combination of sulphide and magnetite mineralisation.

Drill hole MOORC004 has returned anomalous lead (Pb), zinc (Zn), Cu and silver (Ag) and will be assessed during the September quarter. Values up to 0.3% Pb and 0.1% Zn were recorded over a 5 metre interval from 40m down hole. The Pb-Zn mineralisation is associated with elevated copper, silver and gold.

Drill hole MOORC016 into the Ragner target stopped short of the IP target at 174m due to high water inflow and poor drill penetration. The hole ended in sheared and altered gabbro with disseminated chalcopyrite in an interpreted structure on the edge of the regional graben. Best assay returned 1m grading 0.14% Cu from 172m down hole. This result is encouraging. The target is still open and not yet adequately drill tested (Figure 7).

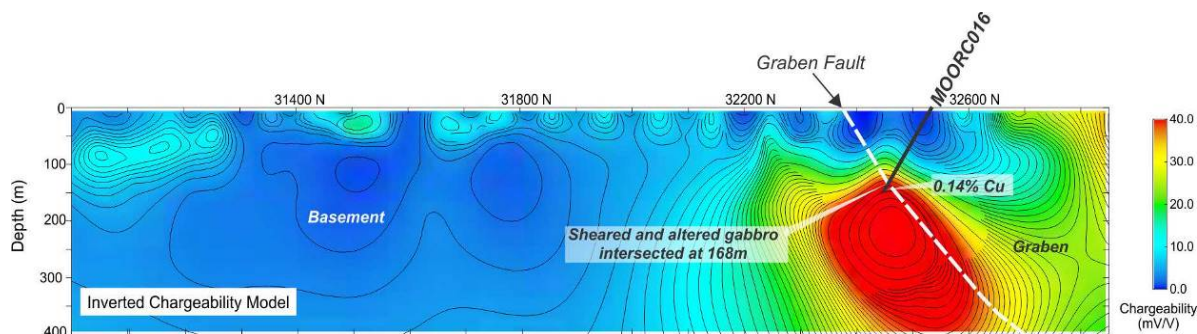
In addition, surface rock chip sampling and mapping was undertaken on the Mimili project with assay results expected in the September quarter.



**Figure 6.** Location of Moorilyanna RC drilling and Aster image with surface copper geochemistry grid

Further field mapping of new targets, reconnaissance sampling and a new airborne VTEM survey are planned to commence early in the September quarter over new target areas within tenement EL3955. The

new airborne survey is aimed at identifying additional targets and will consist of more than 500 line km and cover an area of 146km<sup>2</sup> over 5 individual blocks.



**Figure 7.** IP inverted chargeability model for Ragner cross section showing untested target

## Deering Hills Project

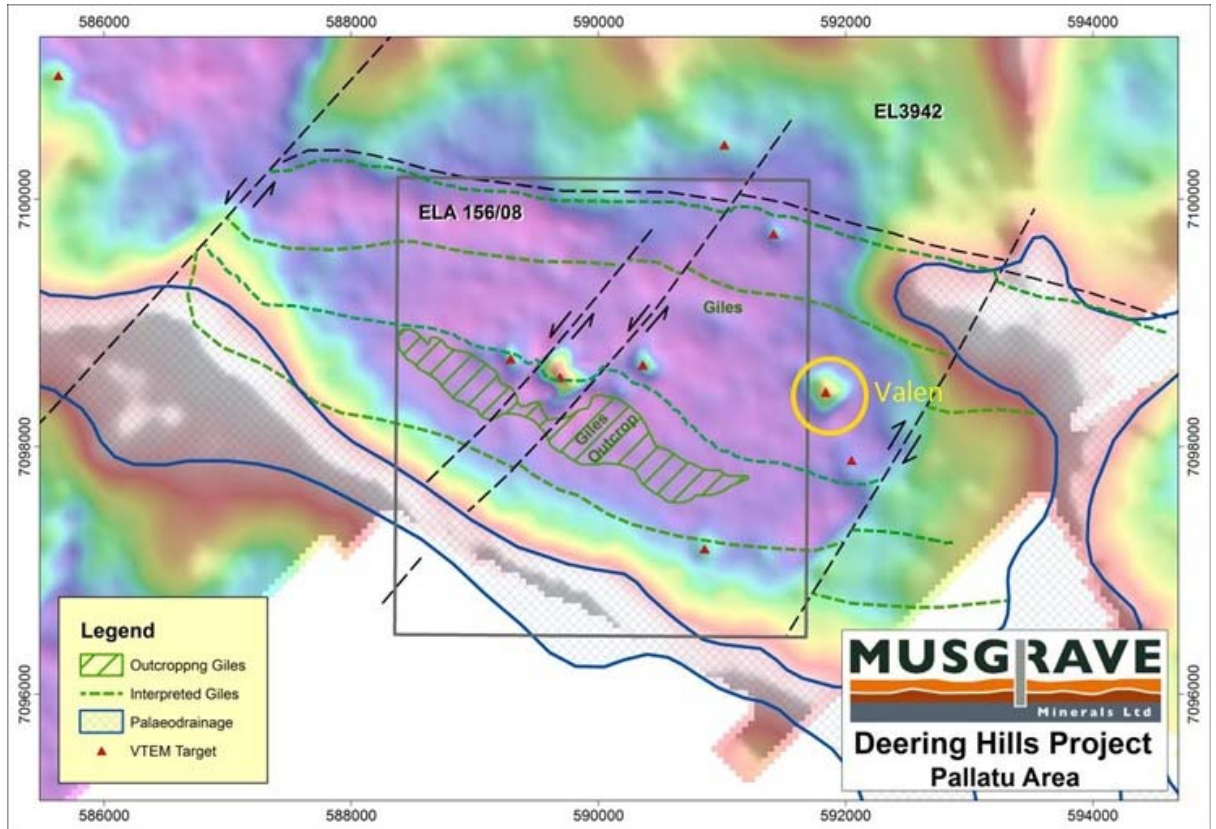
### EL3941 & EL3942 (100% Musgrave Minerals Ltd)

The Deering Hills Project is in the centre of the Musgrave geological province; about 200km west of the Stuart Highway and Adelaide to Darwin rail line (Figure 5).

During the quarter, Musgrave Minerals drill tested two targets, Valen and Galen (Figure 9) at Deering Hills. Both targets are late time ground electromagnetic (EM) conductors at shallow depths under thin sand cover. The diamond drilling program consisted of four diamond drill holes for a total of 552.2m. Disseminated and stringer sulphides were intersected in both holes. Nickel-copper sulphides associated with Giles complex rocks were intersected at the Valen target including what is interpreted to be remobilised stringer sulphides at Valen (Figures 8 & 9). Best result was 0.31m grading 0.25% Cu from 116.07m down hole in DEEDDH004.

A strong off-hole conductor was identified through down hole EM to the south-west of Valen. This target has yet to be drill tested.

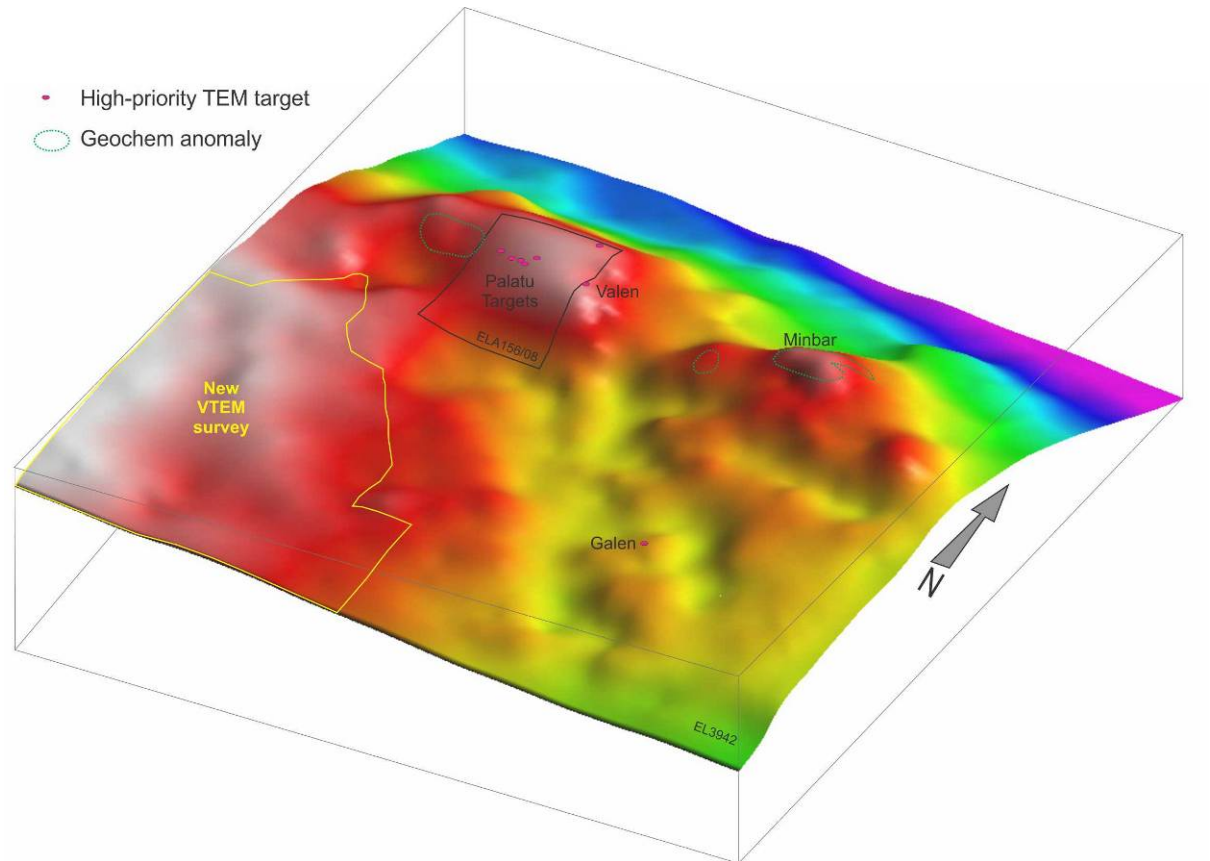
The Giles Formation is the host to the massive Nebo-Babel nickel-copper sulphide deposit in the Musgrave province of Western Australia.



**Figure 8.** Valen drill target shown on airborne conductivity image within the Deering Hills Project

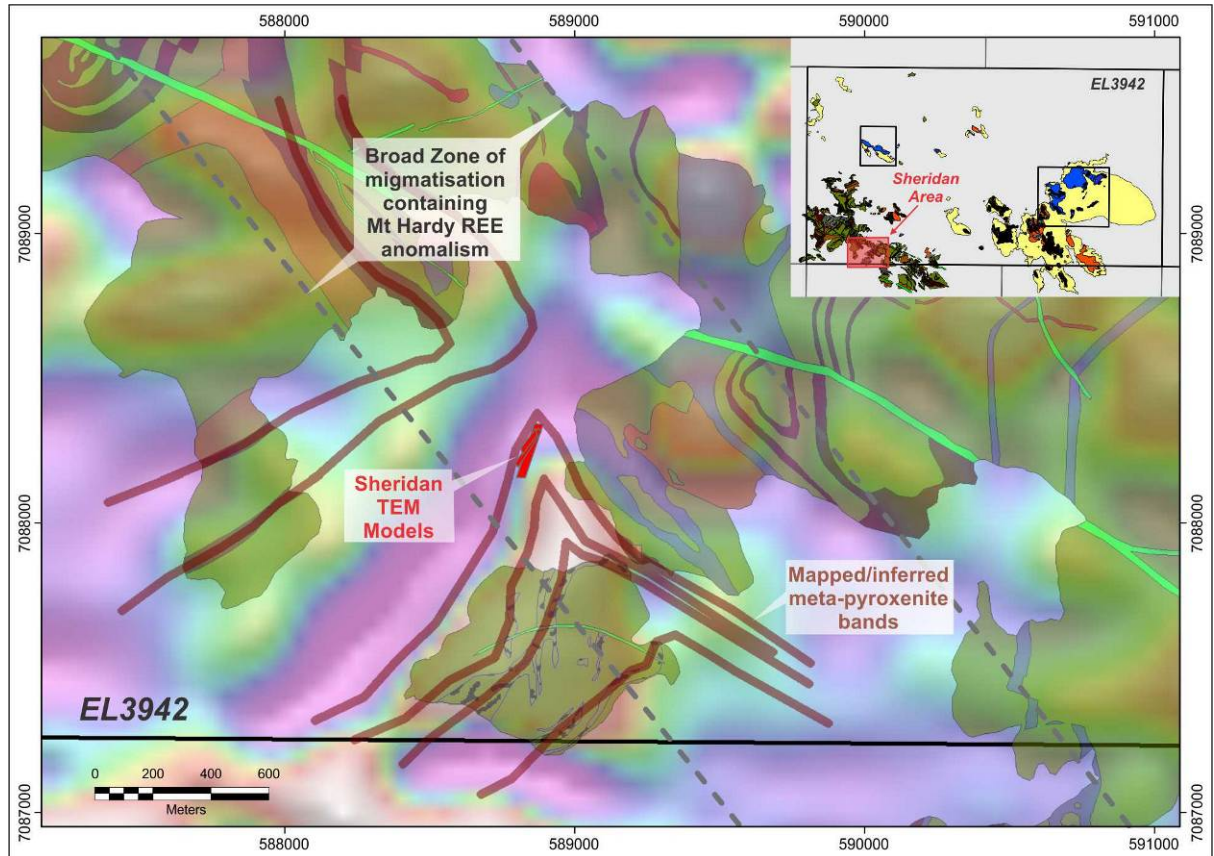
A regional gravity survey was undertaken at Deering Hills during the quarter. 1774 stations were collected on a 1km x 500m grid. The survey (Figure 9) provided excellent definition of Giles Complex units and major structures and in conjunction with geochemical results will help to prioritise targets for drilling.





**Figure 9.** 3D gravity image showing Pallatu EM targets in relation to regional Ni-Cu-PGE geochem anomalies and new VTEM survey area

A ground EM survey was undertaken and defined the Sheridan target for drill testing. The target is situated adjacent to an interpreted pyroxenite unit on a geological fold hinge. In addition down hole EM was undertaken on ten diamond drill holes completed in 2011 and early 2012. Down hole EM conductors were identified adjacent to three targets; NaToth, Turlan and Valen.



**Figure 10.** Sheridan TEM target

An airborne VTEM survey is planned to commence early in the September quarter in the south-west of the project area (Figure 9). The new airborne survey is co-incident with a regional gravity anomaly and mapped Giles intrusive lithologies. The survey will consist of 450 line km and cover an area of 90km<sup>2</sup> not previously flown.

## **Mt Woodroffe Project**

### **EL3940 (100% Musgrave Minerals Ltd)**

The Mt Woodroffe Project is situated on wholly-owned tenement EL3940, located approximately 115km west of the Stuart Highway and the Adelaide to Darwin rail line in the Eastern Musgrave geological province of South Australia (Figure 5).

Field checking and reconnaissance sampling of priority VTEM targets was undertaken. Analytical results for these rock chip and stream sediment samples are expected in August.

A high priority VTEM target has been highlighted for follow-up ground EM. The target is co-incident with surface nickel-copper geochemistry and a gravity and magnetic high. The target titled 'Lister' (Figures 11 & 12) is located at the confluence of a major sheared gabbroic breccia zone with the Mt Woodroffe Giles mafic intrusion. The gabbroic breccia could represent a conduit or feeder zone to the main intrusive. The coincident VTEM, magnetic, gravity and geochemical anomalies occur at the junction of the two geological features in a similar setting to many known mineralised magmatic nickel, copper systems.

Further field mapping and a ground EM survey is planned for the September quarter with drilling to follow pending results.

An airborne VTEM survey is planned to commence early in the September quarter to the west of the current targets. The new airborne survey is co-incident with a regional gravity anomaly and chonolithic magnetic anomaly defined from 3D magnetic imaging (Figure 12). The survey will consist of more than 600 line km and cover an area of 168km<sup>2</sup>.

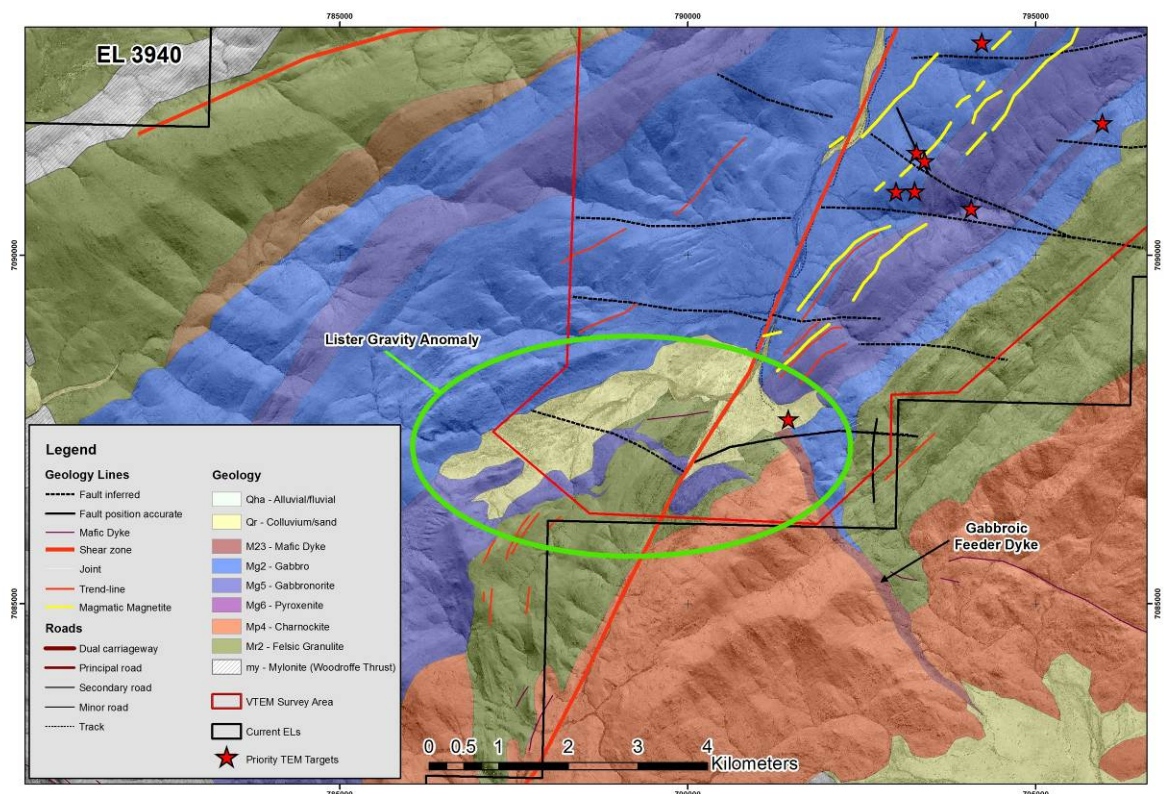
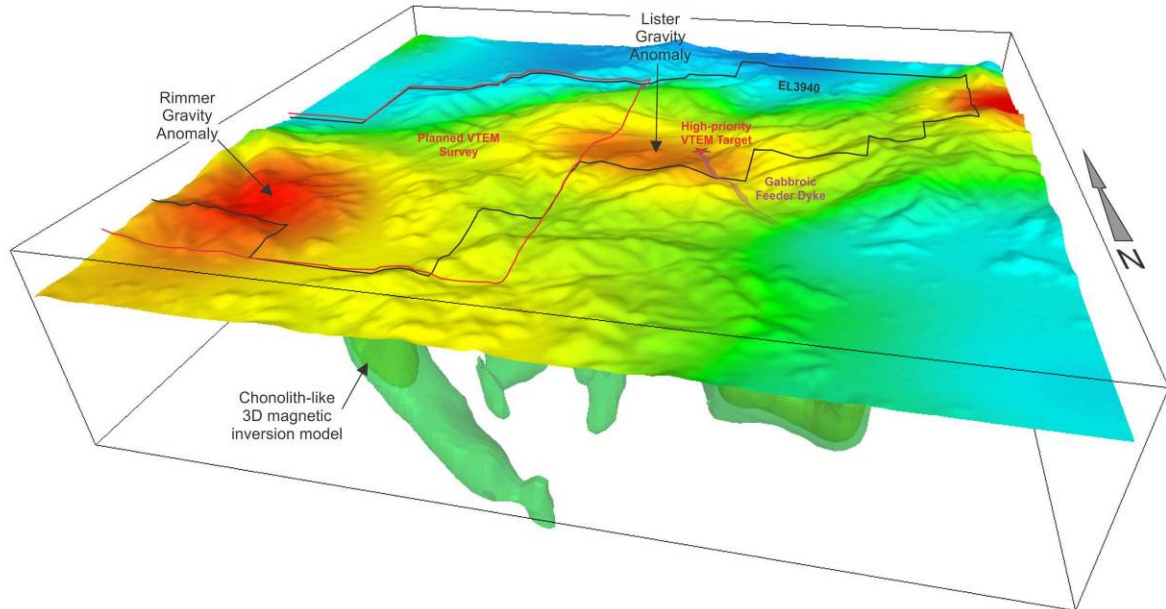


Figure 11. Mt Woodroffe Project showing 'Lister' target





**Figure 12.** Mt Woodroffe Project showing 'Lister' target, 3D magnetic image, regional gravity response and new VTEM survey area

## Bryson Hill Project

### EL4047 (Musgrave Minerals Ltd earning 70%)

The Bryson Hill Project covers an area of approximately 1,535km<sup>2</sup> and is located in the far easterly portion of the Musgrave Province. Musgrave Minerals Ltd is earning a 75% interest in the project from Pitjantjatjara Mining Company Pty Limited and Zeil No. 1 Pty Limited.

The tenement is covered by spinifex sand plains and dunes with only very minimal sub-crop. Little previous exploration has been undertaken within the tenement area. A regional airborne VTEM survey is planned to commence in July over three blocks within EL4047 and will consist of 815 line kilometres covering 240km<sup>2</sup>.

### Other projects

A small airborne VTEM survey is planned to commence on wholly-owned tenement EL3939 and will consist of 88 line kilometres covering 25km<sup>2</sup>.

During the quarter, Musgrave was granted four exploration licences covering a combined area of 7,300km<sup>2</sup> (Figure 13). These licences more than double the Company's current explorable ground holding. Musgrave is the first company to hold an active exploration tenement in this part of the region.



Musgrave signed a Deed of Exploration with the executive Board of Anangu Pitjantjatjara Yankunytjatjara (“APY” – a body corporate established by the APY Lands Rights Act 1981, SA) in relation to these four tenements. They are the first mineral exploration licences granted in APY Lands since 2008, making it a significant milestone for the Company and highlighting the strong relationship Musgrave has already forged with APY.

Musgrave Minerals holds a 100% interest in three of the licences (EL4850, EL4852, and EL4853) and can earn up to a 75% interest in EL4851.

The new licences cover areas that are considered very prospective for magmatic nickel-copper sulphide deposits and are interpreted to be dominantly covered by thin (<20m) sand with minor outcropping and sub-cropping geology. The region is host to the large Nebo-Babel nickel-copper sulphide deposit in the West Musgrave currently held by BHP Billiton.

With the newly granted licences, Musgrave Minerals has a total of 11 granted exploration licences and 32 exploration licence applications in the South Australian portion of the Musgrave Province.

Planning and interpretation was undertaken on these new tenements during the quarter although no field work was undertaken. Initial heritage surveys are required before field work can commence.

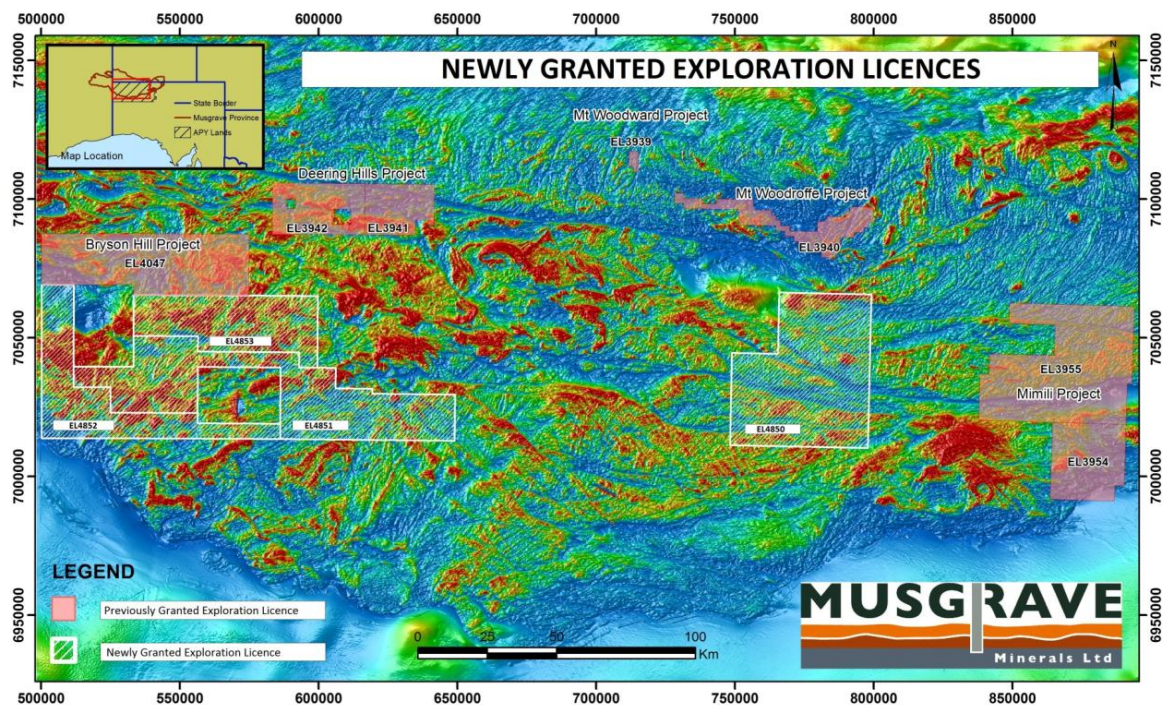


Figure 13. Location of new tenements granted during the June 2012 quarter

## Upcoming plans

During the September 2012 quarter, Musgrave Minerals is planning the following activities:

- Complete regional vacuum drilling program at Deering Hills to outline new drill targets;
- Continue reconnaissance and surface sampling of Mt Woodroffe and Mimili target areas;
- Complete regional airborne VTEM survey;
- Undertake ground EM survey on the Lister target at Mt Woodroffe;
- Continue heritage surveys on new exploration areas.

## Duck Creek Joint Venture

QMN earning 75%, GSE diluting to 25% copper-gold

The Duck Creek Joint Venture between Queensland Mining Corporation (ASX: QMN, project manager) and Goldsearch comprises EPM 13336 Duck Creek (currently GSE 95%, QMN 5%) and EPM 15718 Duck Creek South (QMN 75%, GSE 25%). QMN can earn up to 75% of the EPM 13336 project by spending \$750,000. The project is centred approximately 30km south-west of Cloncurry and straddles the Cloncurry-Dajarra Road (Malbon Road) and Great Northern Railway Line. The area hosts at least 80 known copper ( $\pm$ gold) occurrences, small mines and gouger pits hosted on east-north-east striking structures that cross-cut the regional scale Proterozoic Duck Creek Anticline. Oxide mineralisation has been mined to vertical depths of less than 25 metres at numerous locations. Surprisingly limited modern exploration work has been done on these areas.

Initial reconnaissance work completed by Goldsearch included mapping and sampling of approximately 80 historical workings. Two hundred and thirty-three rock samples taken over the EPM and MLs averaged 1g/t gold and 3% copper. RC drilling completed in 2008 and 2011 by QMN defined numerous zones of shallow strong copper-gold $\pm$ cobalt mineralisation at Forget-Me-Not, Horseshoe, Dulce and Mountain Maid prospects QMN ML's located within the Joint Venture tenement EPM 13336.

QMN has proposed further work for the 2012 calendar year to enable a JORC compliant resource to be completed at Forget Me Not and Horseshoe.



### **BERGSLAGEN JOINT VENTURE (SWEDEN)**

GSE earning 70% (manager), Tumi Resources diluting to 30% silver, lead, zinc

During April 2012 Goldsearch's extended option to continue exploration at Hällefors expired and from discussion with Tumi Resources, which had drilled in an adjoining tenement, it was decided to withdraw from the joint venture. Tumi Resources is unlikely to continue exploration on these tenements.

No new work was complete during the June quarter.

### **MOUNT WELLINGTON PROJECT (VICTORIA)**

100% GSE gold, silver, zinc, copper, lead

The Mount Wellington project is centred 20km south-east of Jamieson and 10km east of the Morning Star Gold NL Woods Point mining centre in eastern Victoria. The project now consists of two granted ELs and one ELA. Several prospects and showings occur within the tenements, several of which were historically mined. Significant gold ( $\pm$  silver and base metal) mineralisation has been drilled by previous explorers at Hill 800 and Rhyolite Creek. Mineralisation is hosted by Cambrian-aged volcanic rocks and various genetic mineralisation styles have been proposed. At Hill 800, the inferred mineral resource calculated by Goldsearch is 1,118,000 tonnes at an average grade of 1.5g/t gold for 52,200 contained ounces of gold (using a cut-off grade of 0.8g/t gold).

Goldsearch is looking to farm-out the project to other parties. Native title negotiations have continued for ELA 5232 (Mount Wellington 2) and EL 4843 (Mount Wellington) has been renewed for a five year period.

## **Goldsearch equity investments**

### *Morning Star Gold NL (ASX: MCO)*

[www.morningstargold.com.au](http://www.morningstargold.com.au)

Goldsearch has an interest in Morning Star Gold NL (MCO), which is the 100% owner of the Morning Star gold mine located approximately 10 kilometres west of Goldsearch's Mount Wellington project. At 30 June 2012 Goldsearch held 1,732,108 ordinary shares in MCO with a market value of \$190,531.



### ***Chinalco Yunnan Copper Resources Limited (ASX: CYU)***

[www.cycal.com.au](http://www.cycal.com.au)

Chinalco Yunnan Copper Resources Limited (ASX: CYU) is currently exploring for copper and gold in the Cloncurry region of northwest Queensland and Chile and Laos for copper. CYU is also pursuing advanced copper project acquisitions under a mandate from its majority shareholder Yunnan Copper Industry (Group) Co Ltd. Yunnan Copper Industry (Group) is one of China's largest copper producers and is majority owned by Chinalco, China's largest aluminium producer. Goldsearch currently holds 1,000,000 August 2012 share options in CYU all exercisable at 40 cents each which are not valued at present, being unquoted options.

### ***Musgrave Minerals Limited (ASX: MGV)***

[www.musgraveminerals.com.au](http://www.musgraveminerals.com.au)

Goldsearch's holding in Musgrave Minerals is 8,673,000 shares. Of these 6,909,000 are restricted securities under the ASX Listing Rules and accordingly are subject to certain escrow conditions.. Goldsearch also holds 1,837,500 Musgrave Minerals Limited 25 cent 5 year options. As at 30 June 2012 the 8,673,000 ordinary shares in Musgrave Minerals Limited had a market value of \$693,840.

#### **COMPETENT PERSONS' STATEMENT**

*Aspects of this report that relate to mineralisation, mineral resources or ore reserves pertaining to the Mary Kathleen Joint venture is based on information prepared by Chinalco Yunnan Copper Resources Limited (CYU) of whom Mr Richard Hatcher BSc(Hons) is the qualified competent person. Mr Hatcher is a Member of the Australian Institute of Geoscientists, and has sufficient relevant experience of the activity undertaken and of the mineralisation styles and type of deposits described. He qualifies as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Identified Mineral Resources and Ore Reserves" (JORC Code). The above statement fairly reflects the information prepared by this Competent Person. Mr Hatcher consents to the inclusion of this information in the form and context in which it appears.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

**Goldsearch Limited**

ABN

**73 006 645 754**

Quarter ended ("current quarter")

**30 June 2012**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(305)	(1,589)
(b) development	-	-
(c) production	-	-
(d) administration	(86)	(765)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	11
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net operating cash flows</b>	<b>(387)</b>	<b>(2,343)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	(248)
(c) other fixed assets	(1)	(1)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	79	452
(c) other fixed assets	-	10
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>78</b>	<b>213</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(309)</b>	<b>(2,130)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(309)	(2,130)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	2,200
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 – share issue cost	-	(102)
	<b>Net financing cash flows</b>	-	2,098
	<b>Net increase (decrease) in cash held</b>	(309)	(32)
1.20	Cash at beginning of quarter/year to date	544	267
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter (see Notes 1 and 2 below)</b>	235	235

Note 1: In addition to the cash on hand the Company has access to further working capital through realisation of its investments in listed unrestricted securities. At the end of the current quarter, the Company's investments in listed securities had a market value of \$331,651. The Company has a further \$552,720 of listed securities restricted until 29 April 2013.

Note 2: Share placement announced 20 July 2012 to raise \$650,000 subject to shareholder approval at a general meeting on 30 August 2012

**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	74
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' fees & expenses	69,339
- Directors' superannuation	5,161

**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

+ 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	Nil	N/A
3.2 Credit standby arrangements Market value of listed unrestricted securities as at 30 June 2012. The Company has a further \$552,720 of listed securities restricted until 29 April 2013 (see note to paragraph 1.22 above),  Share placement announced 20 July 2012 to raise \$650,000 subject to shareholder approval at a general meeting on 30 August 2012	331    650	N/A    -

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	400

### 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	58	46
5.2 Deposits at call	177	498
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (see notes to item 1.22)	235	544

### 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	EL 4976 Licola, Victoria	Exploration licence covering an area of 28 square kilometres surrendered on 4 May 2012	100%	0%
6.2 Interests in mining tenements acquired or increased	ELA 5232 Mt Wellington 2, Victoria	Exploration licence application covering an area of 20 square kilometres - application withdrawn 29 June 2012	100%	0%

+ 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 (cents) (see note 3)	Amount paid up per security (cents) (see note 3)
7.1 <b>Preference +securities</b> <i>(description)</i>	Nil	N/A	N/A	N/A
7.2 Changes during quarter				
(a) Increases through issues	N/A	N/A	N/A	N/A
(b) Decreases through returns of capital, buy-backs, redemptions	N/A	N/A	N/A	N/A
7.3 <b>+Ordinary securities</b>	468,276,517	468,276,517	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	60,512,000	60,512,000	2 cents	2 cents
(b) Decreases through returns of capital, buy-backs	Nil	N/A	N/A	N/A
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil	N/A	N/A	N/A
7.6 Changes during quarter				
(a) Increases through issues	N/A	N/A	N/A	N/A
(b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A
7.7 <b>Options</b>			Exercise price	Expiry date
Listed options	Nil	N/A	N/A	N/A
Unlisted options	22,250,000	Nil	5 cents	1 December 2014
7.8 Issued during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.9 Exercised during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.10 Expired during quarter				
Listed options	Nil	N/A	N/A	N/A
Unlisted options	Nil	N/A	N/A	N/A
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil	N/A		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	Nil	N/A		

+ 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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:   
Company secretary

Date: 31 July 2012

Print name: Paul Hewson

## 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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+ See chapter 19 for defined terms.