

# 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

<b>SANDFIRE RESOURCES NL</b>
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ABN

<b>55 105 154 185</b>
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Quarter ended ("current quarter")

<b>31 March 2012</b>
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### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from provision of services	-	-
1.2 Payments for (a) exploration and evaluation	(6,605)	(31,328)
(b) development	(34,154)	(86,714)
(c) production	-	-
(d) administration	(1,888)	(7,241)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	402	1,836
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Movement in Working Capital	-	212
<b>Net Operating Cash Flows</b>	<b>(42,245)</b>	<b>(123,235)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	(1,855)
(c) other fixed assets	(32,489)	(110,059)
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 (payments for security deposits/bonds)	2	3,160
<b>Net investing cash flows</b>	<b>(32,487)</b>	<b>(108,754)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(74,732)</b>	<b>(231,989)</b>

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1.13	Total operating and investing cash flows (brought forward)	(74,732)	(231,989)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	608	1,848
1.15	Share issue expenses	(9)	(83)
1.16	Proceeds from borrowings	100,000	290,000
1.17	Repayment of borrowings – finance lease payments	(111)	(283)
1.18	Finance establishment costs	-	(9,524)
1.19	Interest and other costs of finance paid	(4,679)	(5,938)
1.20	Other	-	-
<b>Net financing cash flows</b>		<b>95,809</b>	<b>276,020</b>
<b>Net (decrease) increase in cash held</b>		<b>21,077</b>	<b>44,031</b>
1.21	Cash at beginning of quarter/year to date	96,995	74,041
1.22	Exchange rate adjustments to item 1.21	-	-
1.23	<b>Cash at end of quarter/year</b>	<b>118,072</b>	<b>118,072</b>

**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
1.24	Aggregate amount of payments to the parties included in item 1	432
1.25	Aggregate amount of loans to the parties included in item 1.10	-
1.26	Explanation necessary for an understanding of the transactions	
Payment of director and consulting fees to directors and director related entities.		

**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  
None.
- 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  
None.

**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	380,000	290,000
3.2	Credit standby arrangements	-	-
<b>Note</b>	(i) The Company also has access to a \$10 million environmental bonding facility (non cash-backed).		

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### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	4,930
4.2 Development (including payments for purchases of other fixed assets)	61,060
4.3 Production	25,270
4.4 Administration	1,630
<b>Total</b>	<b>92,890</b>

### 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	113,072	91,495
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Term Deposits	5,000	5,500
<b>Total: cash at end of quarter</b> (item 1.23)	<b>118,072</b>	<b>96,995</b>

\$28 million of the Company's cash balance as at 31 March 2012 is held in a debt service and cost overrun account, relating to the Company's financing facilities.

### 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	L52/137	<u>WA Miscellaneous License</u> Granted	100%	100%
	L52/140	Granted	100%	100%
	L52/146	Application	-	100%
	EPM19542	<u>QLD Exploration Permit Minerals</u> Application	-	100%
	EL4467 EL4487	<u>NSW Exploration License</u> Application Application	- -	100% 100%

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**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)	Amount paid up per security (see note 3)
7.1 <b>Preference +securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	151,152,635	151,152,635		Fully paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through contributing shares paid up in full	6,000 200,000	6,000 200,000	\$1.40 \$3.00	Fully paid Fully paid
7.5 <b>+Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	405,000 1,010,000 980,000 1,600,000 990,000  266,666 666,668 3,750,000		<b>Exercise price</b> \$1.40 \$0.60 \$0.80 \$1.00 \$4.66; \$5.44 and \$6.22 \$3.80 \$4.40 and \$5.00 \$9.00; \$10.30 and \$11.70	<b>Expiry date</b> 6 Jul 2012 12 Jul 2013 12 Jul 2013 12 Jul 2013 27 Nov 2014  15 Jun 2015 15 Jun 2015 28 Feb 2016
7.8 Issued during quarter	500,000		\$9.00; \$10.30 and \$11.70	28 Feb 2016
7.9 Exercised during quarter	6,000 200,000		\$1.40 \$3.00	6 Jul 2012 30 Sep 2012
7.10 Expired during quarter				
7.11 <b>Debentures</b> (totals only)				
7.12 <b>Unsecured notes</b> (totals only)				

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