

31 July 2013

ASX Release

June Quarterly Activity Report

Highlights

- Initial exploration discoveries announced for Bouroubourou projects
- Extension of 65km² to the Bouroubourou permit granted, adding 3km strike length along trend from the Company's recent gold discoveries at Maleko and Berola (reported last quarter)
- Partially underwritten rights issue to raise up to \$759,581
- Reduction of field exploration programs and cost structure implemented during the quarter

Extension to Bouroubourou Permit Granted

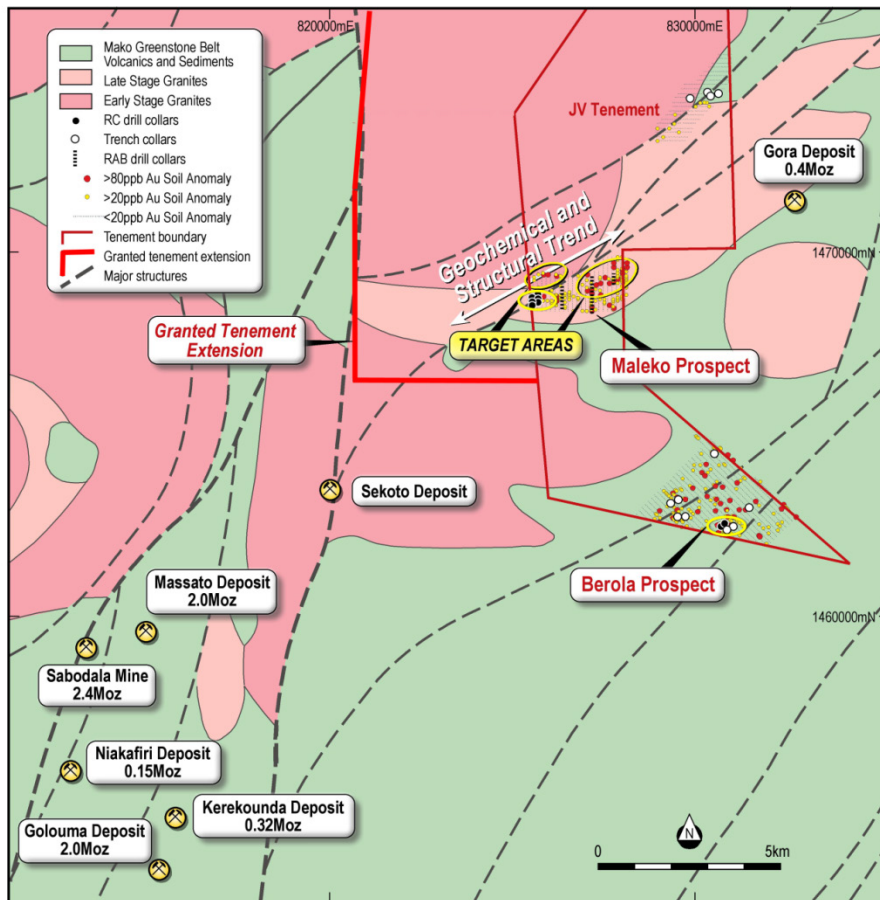
Erin has been recently granted a 65km² extension to the Bouroubourou tenement, directly west of the Maleko and Berola discoveries, which allows for exploring the potential trend of known mineralisation by up to 3km to the west. See Figure 1. Additionally, there is prospective ground to the north in the new extension permit area.

Recent RC drilling at Maleko, reported last quarter, returned the following significant intersections:

Drill Hole	Down Hole Au Intercept	From Depth (Down hole)
BourRC0011	4m @ 17.9g/t	27
BourRC0002	6m @ 2.71g/t	64
BourRC0004	5m @ 1.88g/t	7
BourRC0012	6m @ 1.24g/t	62

The Maleko and Berola discoveries are well located within the region, as they lie between Teranga's Sabodala mine (2.4m oz, 15km away) and Gora deposit (0.5m oz, 8km away) that is under feasibility study. Oromin's deposits (3.7m oz) lie about 15km to the south-west.

Figure 1. Location of Maleko and Berola discoveries and large gold deposits nearby



Mineralisation at Maleko (Figure 2) is associated with shearing, quartz veining, sericite/silicic alteration and pyrite within volcanic meta-sedimentary units, consistent in style with multi-million ounce deposits like Teranga’s Sabodala mine (2.4m oz), Randgold’s Massawa deposit (3.6m oz) and Oromin’s deposits (3.7m oz).

The intersections lie within a zone of mineralisation approximately 180m wide with an estimated dip of 35° to the south. This zone appears to be associated with an 80ppb gold soil anomaly, which trends westward and extends at least 400m to the western border of the Bouroubourou permit (Figure 3). The granted extension area to the west provides an additional 3km of highly prospective geology along trend from the Maleko discovery.

Quartz veining is associated with the higher-grade intersections and can be variably mineralised. As a result, it appears that quartz can be a good indicator of mineralization nearby, even if not containing abundant gold.

The next stage for exploration at Maleko is to expand the defined mineralisation to the east and west of the current discovery sections. In addition, the Company is re-evaluating and going back to soil anomalies with similar footprints to Maleko and Berola on all its Senegal permits.

Figure 2. Cross Section 825610mE Showing Significant Intersections, Maleko

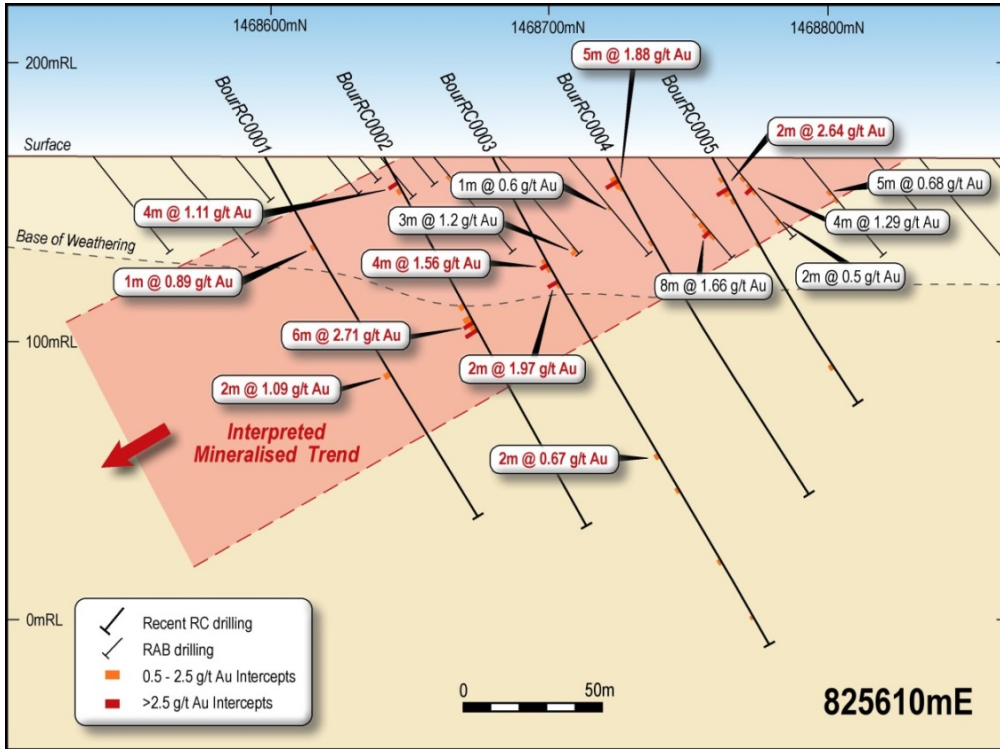
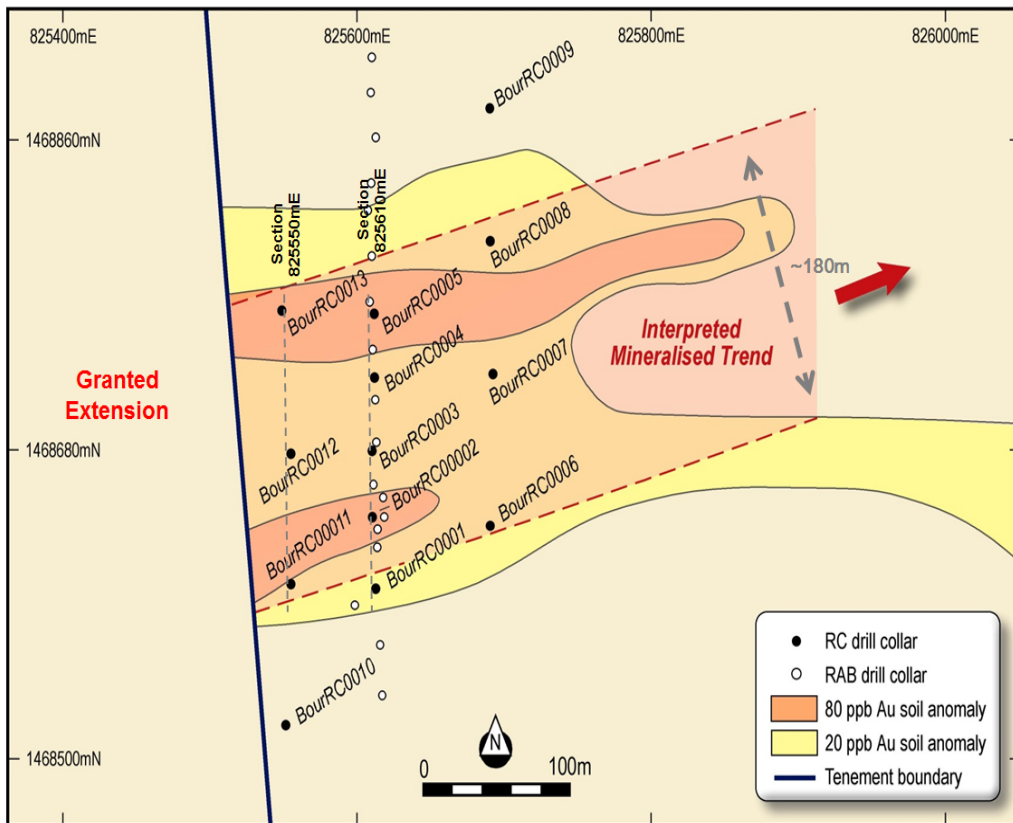


Figure 3. Plan view showing drilling and interpreted extension of the Maleko mineralisation



Initial Exploration Success at Bouroubourou

As announced in late April 2013, the Company announced two new gold discoveries at Maleko and Berola on the Bouroubourou permit during the quarter, which include intersections up to 7m @ 10.41g/t gold. The permit lies within the Kedougou Inlier, where over 30 million ounces have been discovered in the last 10 years.

These initial drilling results from Bouroubourou are analogous to the mineralisation and early stage exploration results recorded at nearby significant gold discoveries in the Kedougou Inlier. The Kedougou Inlier has been the source of approximately 30m oz of discoveries in the past 10 years.

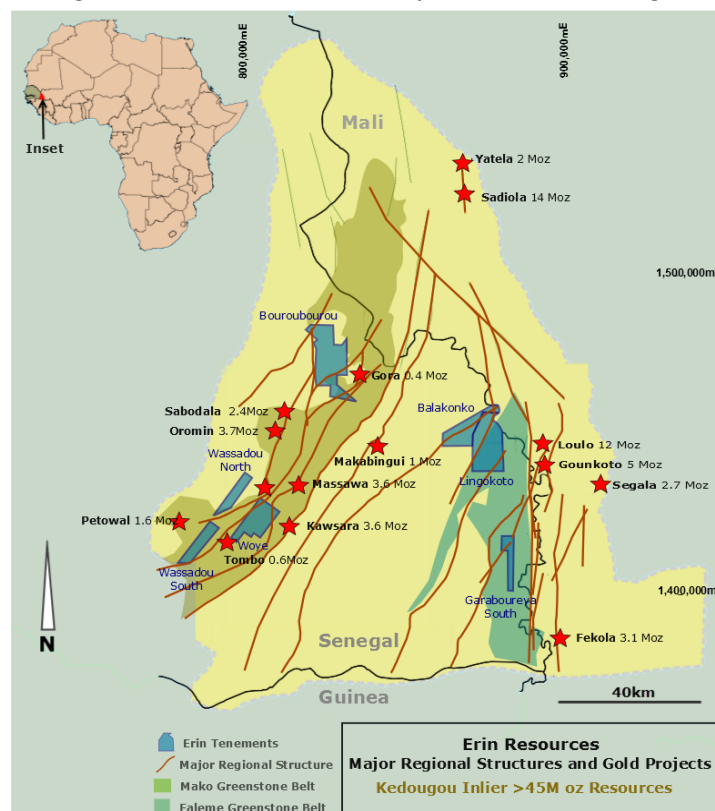
Erin holds 678km² of exploration permits in Senegal and a portfolio of 7 strategically located permits (Figure 4). There are 3 multi-million ounce gold deposits that have recently been discovered within 15 kilometers of Erin’s projects: Masawa (3.6m oz), Petowal (1.6m oz) and Oromin (3.7m oz).

All the Company’s projects lie within the Kedougou inlier that extends over eastern Senegal and along the country’s western border with Mali.

About 30M oz of gold has been discovered in Senegal over the last 10 years and the Kedougou inlier hosts over 45M oz of gold in resources. This inlier forms a part of the Birimian shield, which covers most of West Africa and hosts over 280M oz of gold.

Senegal only recently commenced industrial scale gold mining and production at Sabodala mine in 2009. The country’s mining code, introduced in 2003, is based on mining codes found in Australia and Canada.

Figure 4. Location of Bouroubourou permit, Southeast Senegal



Corporate Update

Non Renounceable Rights Issue

On 26 July 2013 the Company announced a 1:1 non-renounceable entitlement issue of 75,958,059 fully paid ordinary shares in the capital of the Company (New Shares) at an issue price of 1 cent per New Share, raising up to \$759,581 before costs. The offer will include one (1) free attaching listed option exercisable at 2 cents expiring 30 June 2015 for every one (1) New Share.

Underwriting

The Offer is partially underwritten up to a total of \$500,000 by Blackswan Equities Ltd, (a non-related party of the Company), for a total of up to \$500,000, being a total of 50,000,000 Shares and 50,000,000 Options (the Underwriter). The Underwriter has entered into an underwriting agreement with the Company and will be paid a 5% fee on the underwritten amount.

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer and be subject to the Underwriting. The issue price for any share to be issued under the Shortfall Offer shall be 1 cent being the price at which shares have been offered under the Entitlement Offer, together with one free attaching Listed Option exercisable at 2 cents on or before 30 June 2015 for every one new subscribed share.

Cash Position at 30 June 2013

The Company had a closing cash balance of \$161k at 30 June 2013. The Company has limited exploration activities and reduced its cost structure in Senegal and Perth, in order to focus on meeting joint venture commitments and preserving cash.

For and on behalf of the Board

Competent Persons Statement

The information in this document that relates to Exploration Results is based on information compiled or reviewed by Mr Neil Inwood who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Inwood is a full time employee of the Company 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 Inwood consents to the inclusion in this document of the matters based on his 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

ERIN RESOURCES LIMITED

ABN

30 116 800 269

Quarter Ended ("Current Quarter")

30 JUNE 2013

Consolidated statement of cash flows

Cash flows related to operating activities		Current Quarter \$A'000	Year to Date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(584)	(2,035)
	(b) development	-	-
	(c) production	-	-
	(d) administration & staff	(218)	(845)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	7	26
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (Research & Development Government Rebate)	102	102
Net Operating Cash Flows		(693)	(2,752)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	(8)
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 (refund of mining security bonds)	-	-
Net investing cash flows		-	(8)
1.13	Total operating and investing cash flows (carried forward)	(693)	(2,760)

1.13	Total operating and investing cash flows (brought forward)	(693)	(2,760)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	2,592
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	131	131
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising cost)	(4)	(289)
	Net financing cash flows	127	2,434
	Net increase (decrease) in cash held	(566)	(326)
1.20	Cash at beginning of quarter/year	737	516
1.21	Exchange rate adjustments to item 1.20	(10)	(29)
1.22	Cash at end of quarter	161	161

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	123
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 and directors' 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

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

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	131	131
3.2 Credit standby arrangements	-	-
3.3 Convertible note	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and Evaluation	130
4.2 Development	-
4.3 Production	-
4.4 Administration	75
Total	205

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	161	737
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	161	737

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	N/A	N/A	N/A	N/A
6.2 Interests in mining tenements acquired or increased	N/A	N/A	N/A	N/A

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	75,958,059 (includes 13,000,000 VHL performance shares)	33,833,059		Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs		625,000 (release of shares from escrow)		Fully Paid
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>	4,000,000 1,000,000 500,000 500,000	Nil Nil Nil Nil	Exercise Price \$0.20 \$0.30 \$0.35 \$0.40	Expiry Date 30 June 2017 23 Jan 2018 23 Jan 2018 23 Jan 2018
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.1 Expired during quarter 0				
7.1 Debentures 1 <i>(totals only)</i>				
7.1 Unsecured notes <i>(totals only)</i> 2				

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.



Nick Poll
Managing Director

Date: 31 July 2013

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* applies 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.