

## 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**

GRYPHON MINERALS LIMITED

**ABN**

31 107 690 657

**Quarter ended ("current quarter")**

31 December 2012

**Consolidated statement of cash flows**

	Current quarter \$A'000	Year to date (6 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	(7,583)	(22,583)
(b) development	-	-
(c) production	-	-
(d) administration	(1,870)	(2,995)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	309	782
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
<b>Net Operating Cash Flows</b>	<b>(9,144)</b>	<b>(24,796)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(555)	(678)
(d) net cash acquired on acq. of subsidiary	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	148	350
(c) other fixed assets	-	-
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>(407)</b>	<b>(328)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(9,551)</b>	<b>(25,124)</b>

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1.13	Total operating and investing cash flows (brought forward)	(9,551)	(25,124)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	31,320	31,320
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Costs of issuing shares	(1,731)	(1,731)
	<b>Net financing cash flows</b>	<b>29,589</b>	<b>29,589</b>
	<b>Net increase (decrease) in cash held</b>	<b>20,038</b>	<b>4,465</b>
1.20	Cash at beginning of quarter/year to date	30,646	46,219
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>50,684</b>	<b>50,684</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
1.23	Aggregate amount of payments to the parties included in item 1.25	307
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

<b>Payments to Directors</b>	
Salaries, Fees and Superannuation	195
<b>Payments to Director related entities</b>	
Allos Property Group (rent for premises)	82
Mentoring Services for Business (corporate advisory)	30

**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.

+ 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	-	-
3.2 Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	6,842
4.2 Development	-*
4.3 Production	-
4.4 Administration	1,506
<b>Total</b>	<b>8,348</b>

\* Costs have not been disclosed as 'Development' as a final investment decision has not yet been made by the company's Board of Directors.

**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	3,684	5,646
5.2 Deposits at call	47,000	25,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>50,684</b>	<b>30,646</b>

**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	Nil.			
6.2 Interests in mining tenements acquired or increased	Nil.			

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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.*

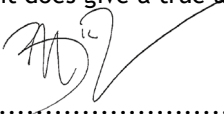
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 <b>+Ordinary securities</b>	400,464,983	400,464,983	-	-
7.4 Changes during quarter				
(a) Increases through issues	52,200,000	52,200,000	60.0 cents	60.0 cents
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	5,700,000	-	180.0 cents	10 Oct 2013
	8,500,000	-	180.0 cents	24 Nov 2013
	300,000	-	220.0 cents	18 Jan 2014
	500,000	-	190.0 cents	23 May 2014
	150,000	-	196.0 cents	3 Aug 2014
	1,000,000	-	180.0 cents	4 Jul 2015
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 <b>Share Appreciation Rights</b> <i>(description)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	874,124	-	87.0 cents	19 Nov 2016
	1,421,906	-	87.0 cents	3 Dec 2016
7.12 Issued during quarter			<i>Exercise price</i>	<i>Expiry date</i>
	874,124	-	87.0 cents	19 Nov 2016
	1,421,906	-	87.0 cents	3 Dec 2016
7.13 Exercised during quarter	-	-	-	-

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7.14	Expired during quarter	-	-	-	-
7.15	<b>Performance Rights</b> <i>(description)</i>	344,435	-	<i>Exercise price</i> N/A	<i>Expiry date</i> 19 Nov 2016
		560,281	-	N/A	3 Dec 2016
7.16	Issued during quarter	344,435	-	<i>Exercise price</i> N/A	<i>Expiry date</i> 19 Nov 2016
		560,281	-	N/A	3 Dec 2016
7.17	Exercised during quarter	-	-	-	-
7.18	Expired during quarter	-	-	-	-
7.19	<b>Debentures</b> <i>(totals only)</i>	-	-		
7.20	<b>Unsecured notes</b> <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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 31 January 2013  
  
 Chief Financial Officer

Print name: Ms Beth Michetti

### 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: Cash Flow Statements* 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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