

## Appendix 5B

### Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

Proto Resources & Investments Limited

ABN

35 108 507 517

Quarter ended ("current quarter")

31 December 2013

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(47)	(135)
(b) development	-	-
(c) production	-	-
(d) administration	(278)	(718)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 R & D Tax Rebate	-	131
1.7 Other (provide details if material)	27	57
<b>Net Operating Cash Flows</b>	<b>(298)</b>	<b>(664)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	19	59
(c) other fixed assets	-	-
1.10 Loans to other entities	(15)	(37)
1.11 Loans repaid by other entities	23	23
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>27</b>	<b>45</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(271)</b>	<b>(619)</b>

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(271)	(619)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	35	481
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 – Payment for cost of issue	(23)	(23)
	<b>Net financing cash flows</b>	12	458
	<b>Net increase (decrease) in cash held</b>	259	161
1.20	Cash at beginning of quarter/year to date	263	165
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	4	4

**Payments to directors of the entity, associates of the directors, 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	99
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 superannuation.

**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

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+ See chapter 19 for defined terms.

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- 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

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### 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	50
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>200</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	4	263
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>4</b>	<b>263</b>

\*In addition to the above the company has approximately \$89,000 held as term deposits in security bonds

+ See chapter 19 for defined terms.

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	NIL		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	NIL		

### 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> (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>	546,573,211 (consolidated)	546,573,211 (consolidated)	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	320,487,374	320,487,374	
7.5	<b>+Convertible debt securities</b> (description)			

+ See chapter 19 for defined terms.

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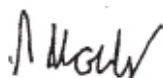
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)			Exercise price	Expiry date
	(a) 67,392,135 (b) 153,734,807 (c) 142,857  (d) 1,400,000 (e) 2,280,000 (f) 3,500,000 (g) 13,046,914 (h) 20,000,000 (i) 24,691,358 (j) 14,814,815	67,392,135- 153,734,807 - - - - - - -		\$0.50 \$0.055 \$0.35  \$0.026 \$0.013 \$0.003 \$0.01053 \$0.0013 \$0.00153 \$0.00153	1 <sup>st</sup> September 2014 26 <sup>th</sup> March 2017 12 <sup>th</sup> September 2018 18 <sup>th</sup> April 2017 20 <sup>th</sup> May 2017 1 <sup>st</sup> January 2018 2 <sup>nd</sup> December 2017 17 <sup>th</sup> December 2017 17 <sup>th</sup> December 2017 7 <sup>th</sup> January 2018
7.8	Issued during quarter	123,846,680 13,046,914 20,000,000 24,691,358 14,814,815	-	\$0.055 \$0.01053 \$0.0013 \$0.00153 \$0.00153	26 <sup>th</sup> March 2017 2 <sup>nd</sup> December 2017 17 <sup>th</sup> December 2017 17 <sup>th</sup> December 2017 7 <sup>th</sup> January 2018
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

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## 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 does give a true and fair view of the matters disclosed.

Sign here:



Managing Director

Date: 31 January 2014

Print name: Andrew Mortimer

## 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 and petroleum 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 or petroleum 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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