



QUARTERLY REPORT

FOR THE PERIOD ENDED 31 MARCH 2014

ASX CODE: BDI

ACTIVITIES

- The insurance claim in relation to the bush fire at the Blina camp in the Kimberley was settled and the proceeds of the claim of \$1,450,000 were received.
- Blina commenced an exploration programme of approximately 11,700 metres of auger drilling to test for non exposed gold mineralisation at the Diapaga Gold Project in the Republic of Burkina Faso in West Africa. Structural targets will be tested and results are expected in early May 2014
- Gold and iron ore reconnaissance was carried out by the Company's consultant in Africa.

CASH AT END OF QUARTER

As at 31 March 2014, the cash on hand was \$1,609,000. Overall, the cash movement for the quarter was a net increase of \$1,245,000. Cash inflows for the quarter totalled \$1,454,000. This was comprised of the proceeds from the insurance settlement and bank interest received. Cash outflows for the quarter totalled \$209,000. This mainly comprised of payments for exploration and evaluation totalling \$177,000. The remaining costs are associated with administration costs.

BURKINA FASO

Blina significantly stepped up operations at the Diapaga Gold Project during the period, embarking on a high-impact exploration program designed to fully evaluate all of the higher priority targets generated over the previous year.

The Project is located in southeastern Burkina Faso approximately 420 km from the capital city of Ouagadougou and is a joint venture between Blina and Golden Rim Resources Ltd (GMR), whereby Blina may earn up to an initial 51% interest by spending US\$2 million on exploration over a 30 month period. Blina may withdraw from the joint venture after spending US\$500k on exploration. Blina may increase equity by continuing to spend, should existing stakeholders elect not to contribute.

The Diapaga Project comprises four contiguous permits located within an east-northeast trending Birimian greenstone belt that has not previously been exposed to any intensive or systematic, modern exploration techniques. The Diapaga Project is immediately adjacent to the Natougou Gold Project currently being developed by ASX listed Orbis Gold (OBS). Orbis announced a maiden Mineral Resource of 15Mt grading 3.7g/t gold for 1.8M ounces at Natougou in August last year and has significantly increased drilling and development activities on site during 2014. The Natougou deposit is located 25km to the west-southwest and directly along strike from Blina's Diapaga Project.

Exploration activity at Diapaga has been significantly advanced during the Quarter comprising a high-impact auger sampling program with associated regolith and geological mapping activity to aid interpretation. Areas not covered by the auger program were subjected to stream sediment sampling, intensive prospecting activities and systematic soil and rock chip sampling.

Structural Interpretation

A review of previous aeromagnetic interpretations was conducted to aid the targeting of auger geochemical sampling programs. The structural framework of the District is dominated by the Diapaga Shear Zone (DSZ) which is effectively a structural corridor that strikes ENE through the central project area. It appears from the aeromagnetic images to comprise a series of discontinuous anastomosing structures that pinch and swell along its

length. The DSZ traverses the entire project area and extends for up to 50km WSW where it impacts on recent gold discoveries at Natougou (see Orbis Gold above). Average width of the structural corridor is about 2km but this varies between 800m in the west to over 4km in the central project area.

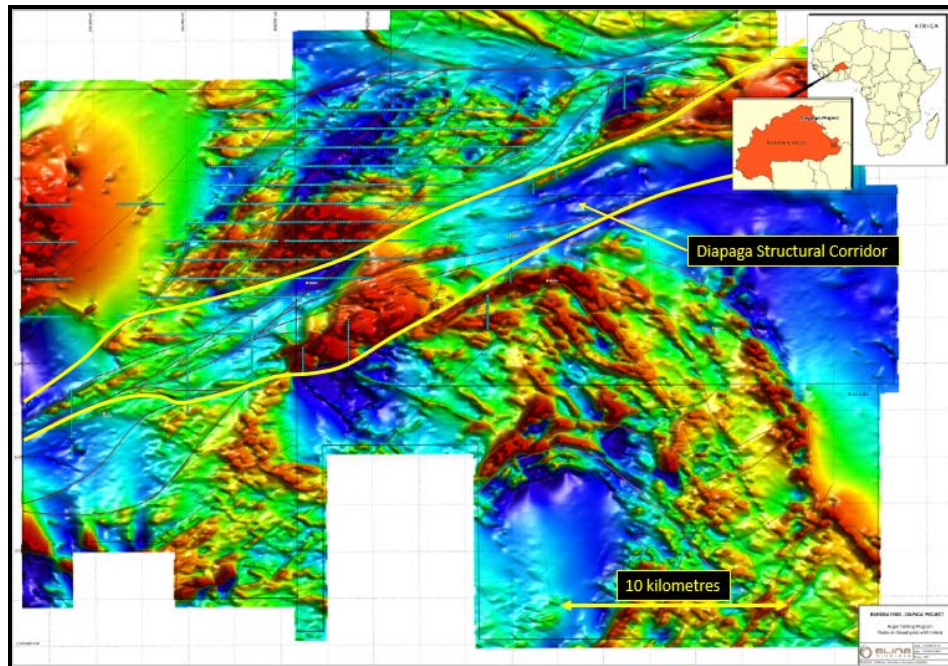


Figure 1: Total field magnetic intensity image showing the Diapaga Structural Corridor.

Two high priority follow-up targets were identified within the Diapaga Structural Corridor. Both targets are highlighted by significant zones of magnetite destruction located specifically where the Corridor broadens sharply. Widening of the structure may indicate dilatancy encouraging fluid injection while magnetite destruction potentially indicates alteration associated with the incoming fluids.

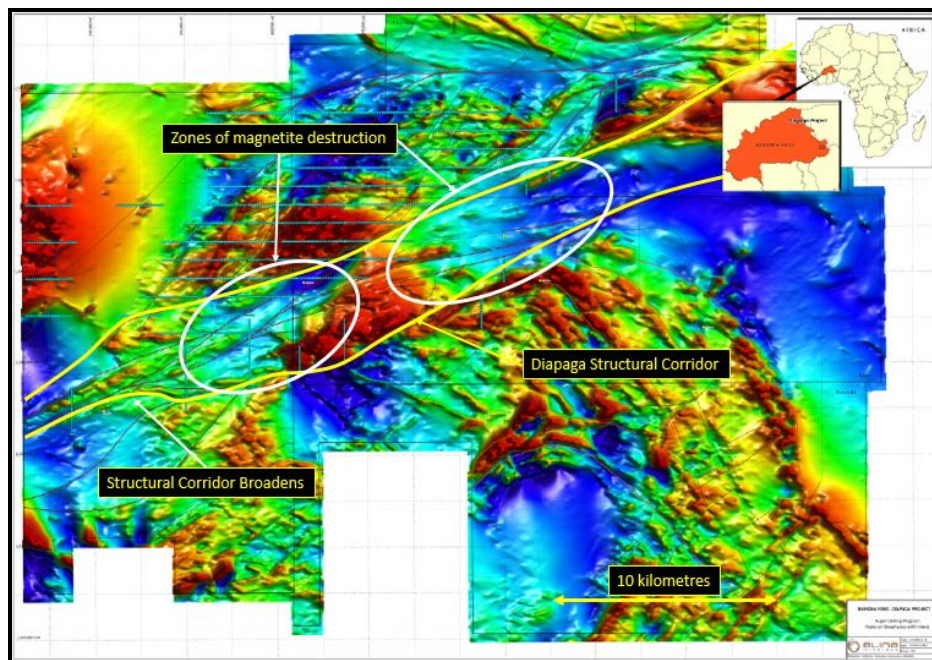


Figure 2: Total field magnetic intensity image showing magnetite destruction targets.

A large structural target exists north of the Diapaga Structural Corridor. Proposed sinistral movement along the corridor has created a structurally complex zone located north and central to the project area. Second order splay-type structures emanating from the DSZ are prominent in this region and the sinistral movement has created considerable potential for dilatancy and hence fluid mobility.

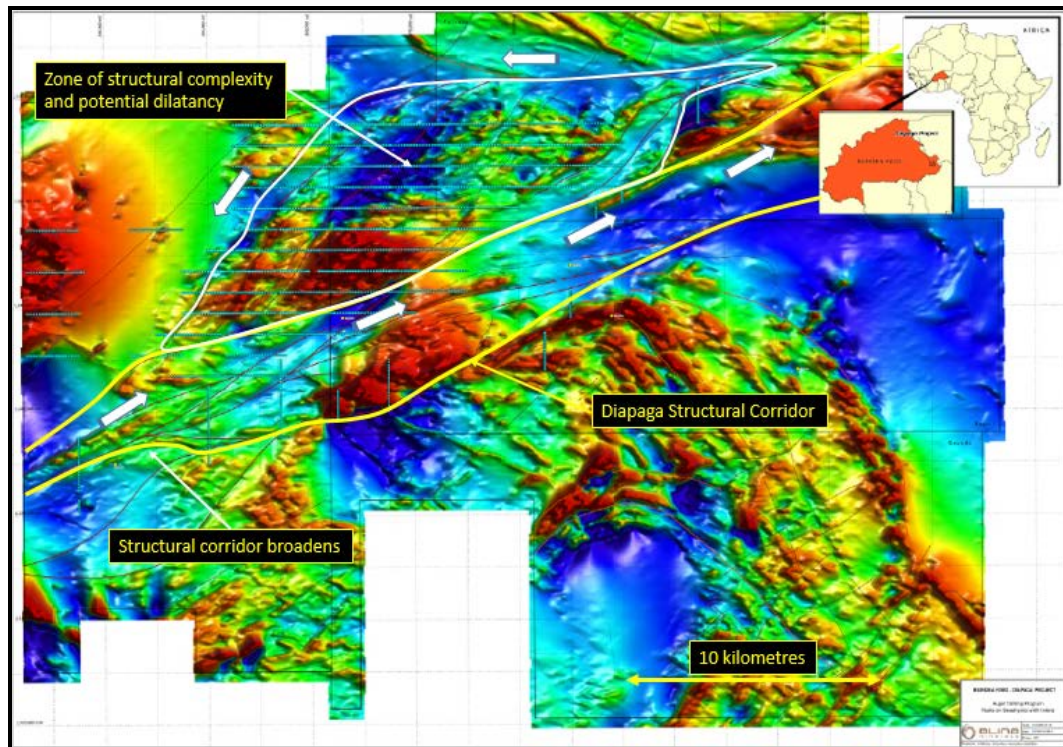


Figure 3: Total field magnetic intensity image showing large zone of potential dilation

Auger Geochemistry

An extensive auger sampling program is currently underway at Diapaga designed to test the high priority structural targets identified above. Samples are being collected on a systematic grid, at 100m intervals, along 800m spaced east-west lines or along specifically targeted north-south lines. Landcruiser mounted auger drilling machines, contracted from Sahara Geoservices, are being used to obtain samples of a specific horizon within the regolith profile. The transition between in-situ mottled clays and ferruginous duricrust is being targeted and samples are being submitted to the SGS laboratory in Ouagadougou for low level gold analysis.

A total of 11,700 metres of auger drilling is planned within 1800 holes for an average hole depth of 6.5 metres. All holes are being geologically logged and laboratory submissions include QAQC samples. Approximately 90% of the program had been completed at the time of writing and all assay results remain pending.



Figure 4: Sahara Geoservices auger drilling rig in operation.



Figure 5: Two separate holes with similar profiles; fine grey alluvial clays above residual lateritic duricrust with mottled clays at the base of hole.

Supporting Exploration Activity

The comprehensive auger geochemical program discussed above is being supported by regolith and geological mapping activities, intensive prospecting work, stream sediment sampling and a small soil sampling program. Surface regolith conditions are dominated by fine grey, alluvial clays associated with the Tapoa river system and its local tributaries. This is a large ephemeral system that drains from west to east through the central project area. These alluvial clays cover almost 60% of the broader project area and range in thickness from less than one metre to over ten metres close to the central river channel. These clays completely mask any surface geochemical response from potential mineralisation hence the need to use auger drilling equipment to retrieve samples from the residual profile.

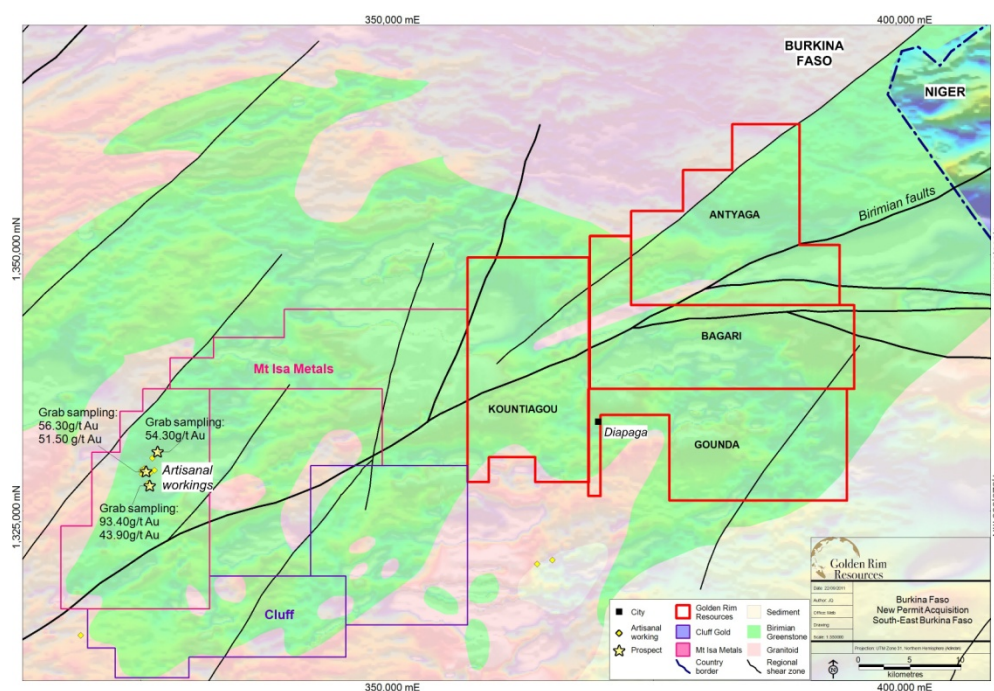
Exposures of basement rocks are limited to small windows located within the DSZ where strongly silicified lithologies have resisted weathering and remain exposed. Thin skeletal soils within these small windows are residual and amenable to surface sampling methods. A total of 45 soil samples have been collected on a 100 x 50 metre grid centred on a small artisanal working located in the centre of the project area. All assay results are pending.

Stream sediment samples were collected from trap sites within active river channels. Pisolithic material derived from residual lateritic profiles was targeted where available and submitted to the SGS laboratory in Ouagadougou for gold-only analysis using the BLEG technique. Locating suitable trap sites in many of the river channels proved challenging due to the general lack of topography and the clogging nature of the ubiquitous fine grained alluvial clays in many areas. A total of 18 samples were collected and assay results are pending.

Figure 6 – Location of the Burkina Faso Tenements



Source Golden Rim Resources

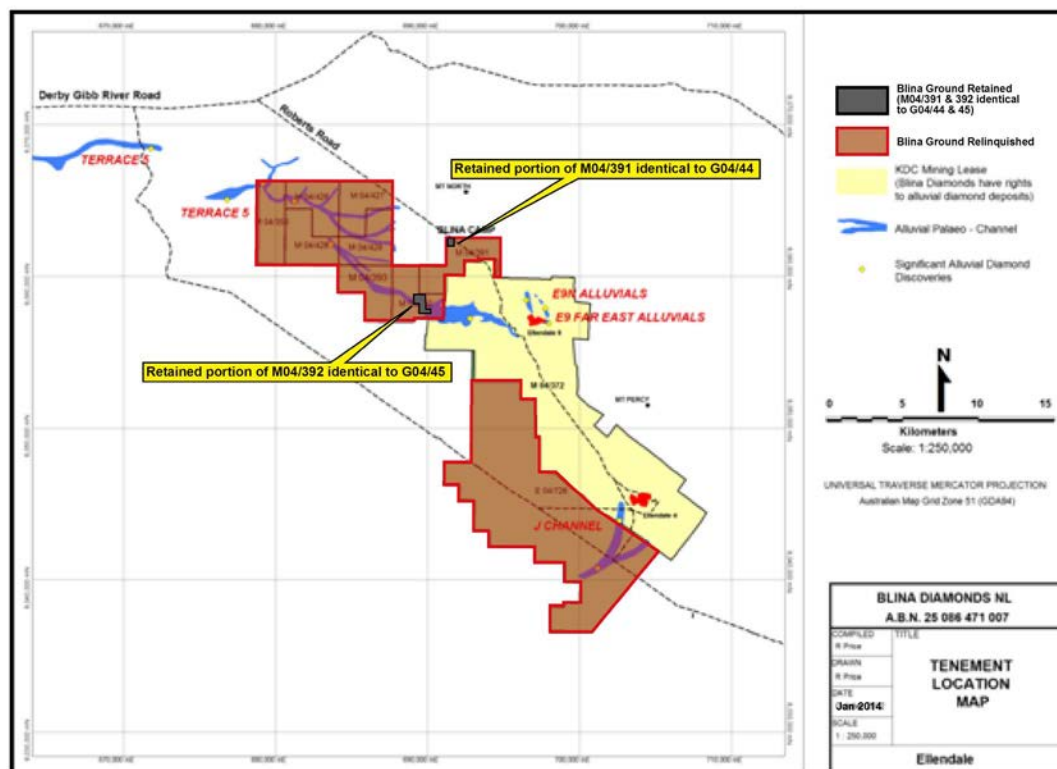
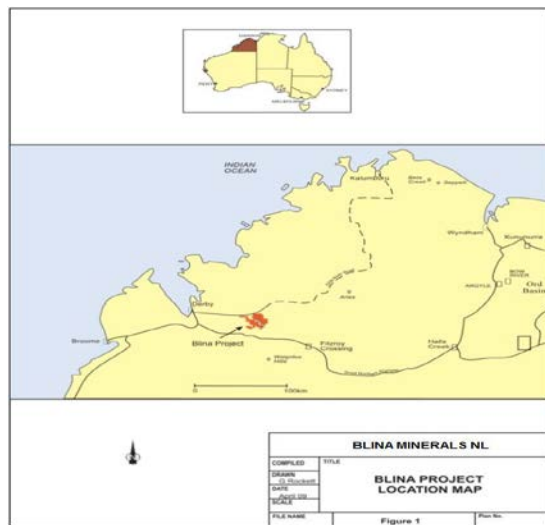


Source Golden Rim Resources

SURRENDER OF KIMBERLEY TENEMENTS

On 15 January 2014, Conditional Surrenders were lodged for what remained of M04/391 (surrender being conditional upon the grant of G04/44) and M04/392 (surrender being conditional upon the grant of G04/45)

Figure 7 – Location of the Kimberley Tenements



Schedule of Interests in Mining Tenements as at 31 March 2014

Disclosure in accordance with ASX Listing Rule 5.3.3

Tenements	Location	Held at End of Quarter	Acquired During the Quarter	Disposed During the Quarter
M04/391	Kimberley, WA	100%	-	-
M04/392	Kimberley, WA	100%	-	-
G04/44	Kimberley, WA	100%	100%	-
G04/45	Kimberley, WA	100%	100%	-

Notes:

Partial surrenders were lodged for M04/391 and M04/392 on 29 November 2013. M04/391 was reduced in size from 997.3 ha to 21.5467 ha and M04/392 was reduced in size from 926 ha to 80.0091 ha.

What remained of M04/391, which covers the Blina Camp and associated infrastructure was covered by a General Purpose Lease G04/44 and what remained of M04/392, which covers the wet processing plants, tailings storage facility and associated infrastructure was covered by a General Purpose Lease G04/45.

On 15 January 2014, Conditional Surrenders were lodged for what remained of M04/391 (surrender being conditional upon the grant of G04/44) and M04/392 (surrender being conditional upon the grant of G04/45)

Farm-In Agreements	Location	Held at End of Quarter	Acquired During the Quarter	Disposed During the Quarter
Diapaga Project (earning up to 70%) 2011/11 202/MCE/SG/DGMCG 2011/11 204/MCE/SG/DGMCG 2011/11 205/MCE/SG/DGMCG 2011/11 206/MCE/SG/DGMCG	Burkina Faso	-	-	-

Brett Fraser

Director

30 April 2014

Competent Persons Statement

The Information in this public report that relates to exploration results of the Company is based on information compiled by Mr David Porter who is a Fellow of the Australasian Institution of Mining and Metallurgy and a consultant to the Company. Mr Porter's services are provided under contract by Metallica Investments Pty Ltd. Mr Porter has sufficient experience which is relevant to the style of mineralization 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 Exploration Results, Mineral Resources and Ore Reserves. Mr Porter consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.