

Quarterly Activities Report Period Ending 31 March 2014

Key Points

Carley Bore ISR Uranium Project

- *Independent Scoping Study¹ completed by Jorvik Resources in April 2014 has indicated that Energia's 100% owned Carley Bore Uranium deposit is potentially a very robust ISR uranium project.*
- *Projected \$127M of net cash flow in first 2 years of production provides very rapid payback of pre-production capital which totals \$105.2M.*
- *Potential production of 8.1Mlb of U₃O₈ over initial 6-year projected mine life with annual steady state production of 1.4Mlb of U₃O₈.*
- *Estimated C1 production cash operating costs of \$US19.82 /pound of U₃O₈.*
- *Maiden Indicated Resource of 5.4Mt grading 420 ppm U₃O₈ (5Mlb of contained U₃O₈) for Carley Bore uranium deposit, available for conversion to Ore Reserves.*
- *Resource remains open in several areas and is expected to expand, with less than 10% of the prospective ground within Energia's tenements having been effectively drill tested.*
- *Rotary Mud and Aircore drilling planned to be carried out in the September quarter.*
- *Site for field leaching trial expected to be selected following the 2014 drilling program.*

Italian Base Metals and Uranium Projects

- *Discussions continue with potential joint venture partners for further development of the Gorno Zinc-Lead project.*
- *Impressive, historical intersections including 21m@ 10.0% Zn+Pb, 6m@ 18.3% Zn+Pb, 4m@ 25.4% Zn+Pb, 15m@11.1% Zn+Pb from Gorno.*
- *Compilation and digitising of historical data is providing continued support for project potential and current Exploration Target².*

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Finance Director
Ian Walker
Non-Executive Director

Company Secretary
Max Cozijn
Company Secretary

Nyang Uranium Project, Western Australia

Carley Bore In-Situ Recovery (ISR) Development

In October and November 2013, Energia Minerals completed a 3,300 metre in-fill drilling program designed to allow upgrading of parts of the current Inferred Minerals Resource to Indicated status. Of the 55 large diameter aircore holes completed, 34 were drilled within the Zone 6 or “Bull Run” area with the balance drilled within two areas of Zone 1 (see Figure 2 which shows areas converted to Indicated Resource). The program was completed under budget and laid the foundation for an upgrade of the Mineral Resource Estimate at Carley Bore.

The Resource Estimate was completed by Energia’s independent resource consultant, Coffey Mining Pty Ltd. Coffey Mining Pty Ltd has a high level of confidence in the resource (both Indicated and Inferred) as a global resource (refer to JORC Table 1, Section 3: Discussion of relative accuracy/confidence - ASX Announcement 12th February 2014). The upgraded resource now includes a Maiden Indicated Resource of **5.4Mt grading 420ppm U₃O₈ (5Mlb of contained U₃O₈)** with full details of the resource estimate shown in Table 1 below.

Table 1
Nyang Uranium Project Summary Table – Carley Bore In situ Mineral Resource
February 2014 Ordinary Kriged Estimate
Reported using (variable) cutoffs; (preferred cutoff for reporting purposes 150ppm)
Uranium Grade tonnage distributions subdivided by JORC Code 2012 Resource Categories
Note figures are ROUNDED

| Lower Cutoff Grade U ₃ O ₈ (ppm) | Indicated | | | | Inferred | | | | Total (Indicated + Inferred) | | | |
|--|-------------|---|-----------------------------------|-----------------------------------|-------------|---|-----------------------------------|-----------------------------------|------------------------------|---|-----------------------------------|-----------------------------------|
| | Tonnes (Mt) | Grade U ₃ O ₈ (ppm) | Contained Metal | | Tonnes (Mt) | Grade U ₃ O ₈ (ppm) | Contained Metal | | Tonnes (Mt) | Grade U ₃ O ₈ (ppm) | Contained Metal | |
| | | | MKg U ₃ O ₈ | Mlb U ₃ O ₈ | | | MKg U ₃ O ₈ | Mlb U ₃ O ₈ | | | MKg U ₃ O ₈ | Mlb U ₃ O ₈ |
| 100 | 5.5 | 420 | 2.3 | 5.0 | 17.8 | 270 | 4.8 | 10.7 | 23.3 | 310 | 7.1 | 15.7 |
| 150 | 5.4 | 420 | 2.3 | 5.0 | 17.4 | 280 | 4.8 | 10.6 | 22.8 | 310 | 7.1 | 15.6 |
| 200 | 5.1 | 430 | 2.2 | 4.9 | 15.1 | 290 | 4.4 | 9.6 | 20.2 | 330 | 6.6 | 14.6 |
| 250 | 4.8 | 450 | 2.2 | 4.7 | 9.4 | 330 | 3.1 | 6.8 | 14.2 | 370 | 5.2 | 11.5 |
| 300 | 4.1 | 480 | 2.0 | 4.3 | 5.1 | 380 | 1.9 | 4.2 | 9.2 | 420 | 3.9 | 8.6 |
| 350 | 3.2 | 520 | 1.7 | 3.7 | 2.5 | 430 | 1.1 | 2.4 | 5.7 | 480 | 2.7 | 6.0 |

Note: Please refer to ASX announcement dated 12 February 2014 and 27 February 2014 for full details of the resource upgrade.

The re-classification and upgrade of part of the resource from inferred to indicated is due to a number of factors including an increase in the drilling density, confirmation of the hydrogeological amenability of Carley Bore to ISR extraction and the now well established continuity of mineralisation and geology.

For future resource modeling, the 150ppm U₃O₈ lower cut-off has been selected as the preferred cut-off. For the 2014 Scoping Study¹ a lower cut-off of 250ppm U₃O₈ was used to calculate a mineral inventory reflecting Energia’s increasing understanding of the expected operating parameters of an ISR mine operating at a shallow depth in the Carnarvon Basin.

This resource upgrade formed the basis for an independent Scoping Study¹, completed by Jorvik Resources (Jorvik) on 15 April 2014 and which will be reported on more fully in the June quarter.

Briefly, the Scoping Study¹ has indicated that Energia’s 100% owned Carley Bore Uranium deposit is potentially a very robust ISR uranium project, with projected cash flow of \$127M in the first 2 years of production providing a very rapid payback of pre-production capital. This pre-production capital was estimated by Jorvik at \$105.2M and included \$10.9M for initial well field development. Potential production of 8.1Mlb of U₃O₈ was estimated over an initial 6-year projected mine life with annual steady state production of 1.4Mlb of U₃O₈ at an estimated C1 production cash operating costs of \$US19.82 /pound of U₃O₈ over the initial project life.

Please refer to Appendix 1 for details on Forward looking and Cautionary statements made in this release regarding the Scoping Study¹.

Following the success of the last drilling program, it is now planned to carry out an additional aircore and mud drilling program during 2014. This will be focused on further expanding the currently outlined resource to the north and south, as well as defining suitable areas to carry out field leach trials.

This program will also provide better definition of high grade “roll fronts” within the deposit and will also include 13 regional drill holes co-funded with a grant from the WA government along the 90km of largely untested ground within Energias tenement holding at Nyang.

The Carley Bore deposit has significant advantages over many other ISR uranium deposits in that the majority of the high porosity, uranium bearing sands generally lie in a single sub horizontal layer averaging less than 60 metres from surface, metallurgical test work has demonstrated very low acid consumption averaging 7.5kg per tonne and the mineralised intervals are wide. In addition, the Carley Bore deposit is located only 8 kilometres to the west of the Dampier to Bunbury gas pipeline which should provide substantial operating cost advantages for the project.

As previously advised, Energia has objected to Cauldron Energy Limited’s (Cauldron) application for expenditure exemption and applied for forfeiture of approximately 50% of Cauldron’s tenement holding in the Carnarvon Basin area covering prospective ground to the north of Carley Bore. This plaint will be heard after 27 June 2014 following submissions by both Cauldron and Energia during May.

Gorno Base Metal Project, Italy

Energia Minerals is continuing to compile and digitise historical data from the Company’s tenements (five granted licences and five applications) at its 100% owned Gorno Zinc-Lead Project in northern Italy. Significant achievements in the quarter was the compilation of mine level geological maps and structural data, digitisation of **319 sludge holes (largely for ore definition)**, and translation of various technical reports detailing mine planning and geology in the later stages of the Gorno operations. This data is **in addition to the 146 diamond drill holes** previously announced that were used by past operator SAMIM to define its historical resources.

A full coverage of diamond drill hole intersections in the western part of the Gorno deposit, which is the Company’s initial focus for development, is included in the December quarterly. These intersections **include 21m @ 8.4%Zn and 1.6%Pb (PW26), 6m @ 14.8%Zn and 3.5%Pb (RP37), 7m @ 11.7%Zn and 2.7%Pb (FW40), 4m @ 22.2%Zn and 3.2%Pb (PW51) and 15m @ 8.8%Zn and 2.3%Pb (PW62)** (see Figure 2).

The data gathered to date continues to add support to the established potential of the Gorno Project, which has an Exploration Target² of **3-5Mt grading 7-8% Zn + Pb plus an additional 7-10Mt grading 5-6% Zn + Pb**.

Gorno was mined extensively until 1978, producing over 800,000 tonnes of zinc metal contained in high quality 55-58% zinc concentrates. More than 230km of underground workings were developed across the Gorno licences.

Energia is currently in discussion with potential joint venture partners to assist in the development of the Gorno Project.

Val Vedello and Novazza Uranium Projects, Italy

Energia has Exploration Licence applications covering the two partially developed high grade uranium deposits at Val Vedello and Novazza. These deposits were explored by way of substantial underground development and detailed diamond drilling by the Italian government owned, ENI subsidiary AGIP Nucleare (AGIP) in the period 1959-1984. Investigations to date have established a high level of confidence for the established Exploration Targets² of **15-30Mlb @ 1000-2000ppm U₃O₈ for Val Vedello and 2-3Mlb @ 1000-2000ppm U₃O₈ for Novazza** based on:

- Val Vedello; 10,428 m of underground development and bulk sampling and 65,000m of diamond drilling which was carried out over a 14 year time frame culminating in an “ore reserve” estimate calculated by AGIP in 1983; and
- Novazza; 6,700 m of underground development and 23,854m of drilling using a variety of drilling methods.

Please refer to Appendix 1 for details on Forward looking and Cautionary Statements made in this release regarding Exploration Targets².

Tabletop, Western Australia

Energia has a strategically located Exploration Licence (E45/2886) covering an area of approximately 194km² in the Paterson Province of central northern Western Australia, approximately 15 kilometres to the north-west of the Cameco Corporation's world class Kintyre uranium deposit which contains a resource of 62Mlb U₃O₈.

No field work was carried out at Tabletop during the period; however Energia has identified a number of deep conductive targets within E45/2886, lying in close proximity to the regionally extensive Kintyre Fault. These conductors could reflect mineralisation within either the Coolbro Sandstone cover sequence or the underlying basement. A geophysical program has been designed to test these targets and this program is scheduled to be completed in the 3rd quarter of 2014 pending heritage clearances for access.

In addition to the uranium targets the exploration potential for base metals in this region is also high with the Encounter Resources Ltd (ASX:ENR) / Antofagasta joint venture announcing the commencement of a 9,000m diamond drilling program on adjacent tenements on 9 April 2014. A large deep seated magnetic target (8km by 5km) remains untested in the western half of the tenement to the west of the Kintyre Fault (Figure 5).

Westmoreland Project, Queensland

EPM15489 and EPM15491 in Northern Queensland encompass 565km² of highly prospective ground with potential for multi-commodity mineralisation beneath shallow cover (see Figure 6).

The tenements are located approximately 20 kilometres to the east of the Westmoreland uranium deposits, owned by Laramide Resources Limited, which is reported to contain an Indicated and Inferred Resource Estimate of 52Mlb of contained U₃O₈. There is also potential for gold, copper and PGM mineralisation, all of which are known to be associated with uranium in the Westmoreland district.

No field work was carried out during the period and a joint venture partner is currently being sought for this project whilst access discussions continue with Traditional Owner groups.

Gascoyne Project, Western Australia

The Exploration lease E09/1966, located in the Gascoyne region of Western Australia covers 327 km² of prospective sediments of the Bangemall Group, Late stage Gascoyne granitoids/gneisses and metamorphics of the Morrissey Group. This tenement is prospective for base metals, precious metals and tungsten mineralisation. Compilation of historical data is now complete and areas have been identified for further investigation during the 2014 field season.

Corporate

Cauldron Energy Ltd - Hostile Takeover Offer

On 6 February 2014, Cauldron announced an extension to its unsolicited conditional takeover offer to acquire all of the shares on issue in Energia Minerals Limited as of the date 3 May 2013, notably an offer that does not include all the shares on issue in Energia Minerals. Cauldron has offered Energia shareholders 1 Cauldron share for every 8 Energia shares held.

There have been no significant acceptances with only 0.20% notified to date and the Offer, is now due to expire on 1 May 2014 unless withdrawn beforehand.

Rights Issue

During the Quarter Energia closed a 1-for-2 Entitlement Issue for up to 101,306,909 new shares at an issue price of \$0.022 per share, as at 20 February 2014.

The Company received valid applications from existing shareholders totalling \$664,155, comprising \$543,348 (24,697,635 new shares) taken up by shareholders pursuant to their entitlements and an additional \$120,807 (5,491,214 new shares) from shareholders applying for additional new shares under the shortfall facility.

The shortfall component from the Entitlements Issue totalled \$1,564,597 (being 71,118,060 shares at an issue price of \$0.022). As noted in the offer document, the Directors reserve the right to separately place these shortfall shares within three months of the closing date.

Cash on Hand

As at 31 March 2014, the Company had \$0.69M cash on hand.

Tenements and Holdings

Current tenements holdings and tenements relinquished during the quarter are shown in the attached Tables 2 and 3.



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About Energia Minerals

Energia Minerals is a highly focused exploration and development company with an exciting portfolio of projects in Australia and Italy covering approximately 3,171km² in 13 granted tenements and 9 under application.

All tenements are 100% owned with no third party royalties.

In the emerging Carnarvon Basin Uranium Province of Western Australia the Company has Total (Inferred and Indicated) Resource of **22.8Mt @ 310ppm U₃O₈ for 15.6 Mlb U₃O₈**, **comprised of 5.4Mt @ 420ppm U₃O₈ for 5 Mlb U₃O₈ of Indicated Resource, and 17.4 Mt @ 280 ppm U₃O₈ for 10.6 Mlb U₃O₈** (at a 150 ppm U₃O₈ cut-off) **at Carley Bore** in its Nyang Project, located to the south of Paladin's Manyingee deposit (26Mlb).

For further information on the company please go to www.energiaminerals.com or email info@energiaminerals.com.

Competent Person Statements

Information in this release that relates to Exploration Results is based on information prepared by Mr David Andrezza and Mr Kim Robinson who are both Competent Persons and Members of the Australian Institute of Geoscientists. Mr Andrezza and Mr Robinson are full-time employees of Energia Minerals Limited. Mr Andrezza and Mr Robinson have sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Andrezza and Mr Robinson consent to the inclusion in this release of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources at Carley Bore is based on information compiled by Mr Kim Robinson and Mr David Andrezza, who are both full time employees of Energia Minerals Limited; and Ms Ellen Maidens, who is employed by Coffey Mining Limited. Mr Robinson and Mr Andrezza are the Competent Persons responsible for the drilling assay database, QA/QC validation and density measurements. Ms Maidens is the Competent Person responsible for the resource estimation and classification. Ms Maidens, Mr Robinson and Mr Andrezza are all Members the Australian Institute of Geoscientists. Mr Robinson, Mr Andrezza and Ms Maidens have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Robinson, Mr Andrezza and Ms Maidens consent to the inclusion in this release of the matters based on their information in the form and context as it appears.

APPENDIX 1 – Forward looking and Cautionary statements

1) Scoping Study – Carley Bore WA

Forward-Looking Statement

Certain statements made in this announcement, including, without limitation, those concerning the Scoping Study, contain or comprise certain forward-looking statements regarding Energia Minerals Limited's exploration operations, economic performance and financial condition. Although Energia believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in metals prices, exchange rates and business and operational risk management. Energia undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Competent Person Reference

The production targets and other information in this announcement that relates to Mineral Resources is based on, and fairly represent, the Mineral Resources and information and supporting documentation extracted from the Scoping Study report, which was prepared by a competent person in compliance with the JORC Code (2012 edition) and released to ASX by the Company on 12 February 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. All material assumptions and technical parameters underpinning the Mineral Resource estimates in that previous release continue to apply and have not materially changed.

The information in this report that relates to the Scoping Study, and Mineral Resources at Carley Bore is based on information compiled by Mr Kim Robinson, who is a full time employee of Energia Minerals Limited; and Ms Karen Lloyd, who is employed by Jorvik Resources. Ms Lloyd is a Member of the Australian Institute of Mining and Metallurgy, and Mr Robinson is a Member of the Australian Institute of Geoscientists. Mr Robinson, and Ms Lloyd have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Robinson and Ms Lloyd consent to the inclusion in this release of the matters based on their information in the form and context as it appears.

Cautionary Notes

The Scoping Study referred to in this report is based on low level technical and economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production targets will be realised. The Company advises that the Scoping Study results and production targets reflected in this announcement are preliminary in nature as conclusions are partly drawn from Inferred Resources, which comprise approximately 53% of the U₃O₈ in the mineral inventory.

The Scoping Study results are indicative only and are calculated to a level of accuracy of +/- 50% which is standard for a Scoping Study. They are based on various assumptions considered reasonable by Energia's independent consultants, but which may or may not be ultimately achieved.

2) Exploration Target – Italy Projects

An Exploration Target is conceptual in nature and has yet to be fully drill tested. There has been insufficient exploration (ie. close-spaced drilling) to define a JORC compliant mineral resource within the Exploration Target and it is uncertain if future exploration will result in the determination of further mineral resources within it. Please refer to the ASX announcement dated 4 March 2014 for full details of all of Energia Exploration Targets.

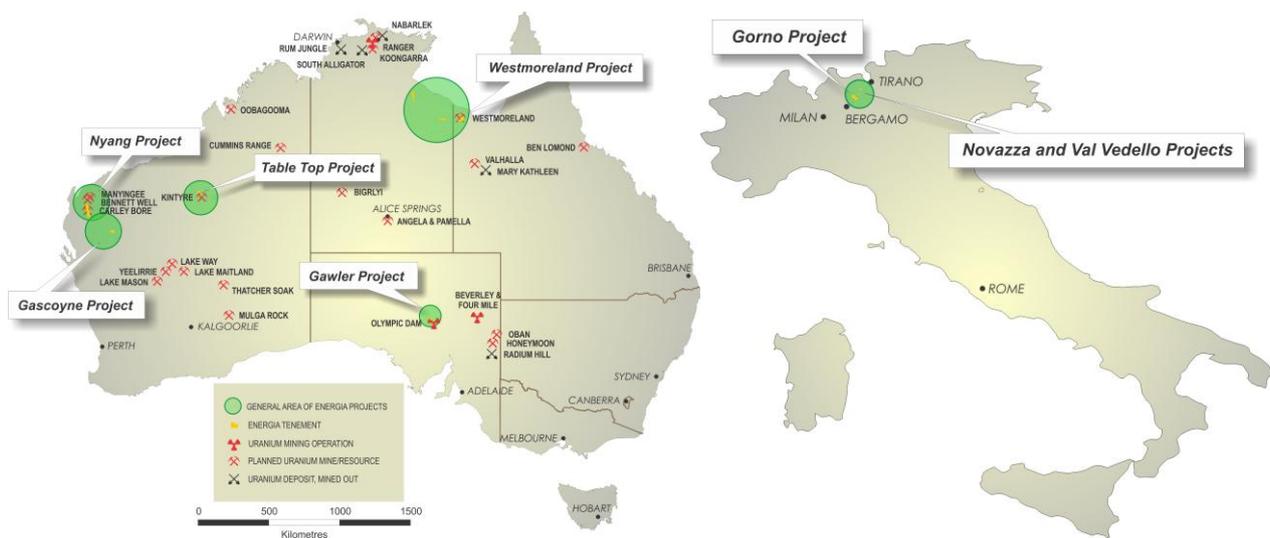


Figure 1 – Energia Minerals: Australian and Italian Project Locations.

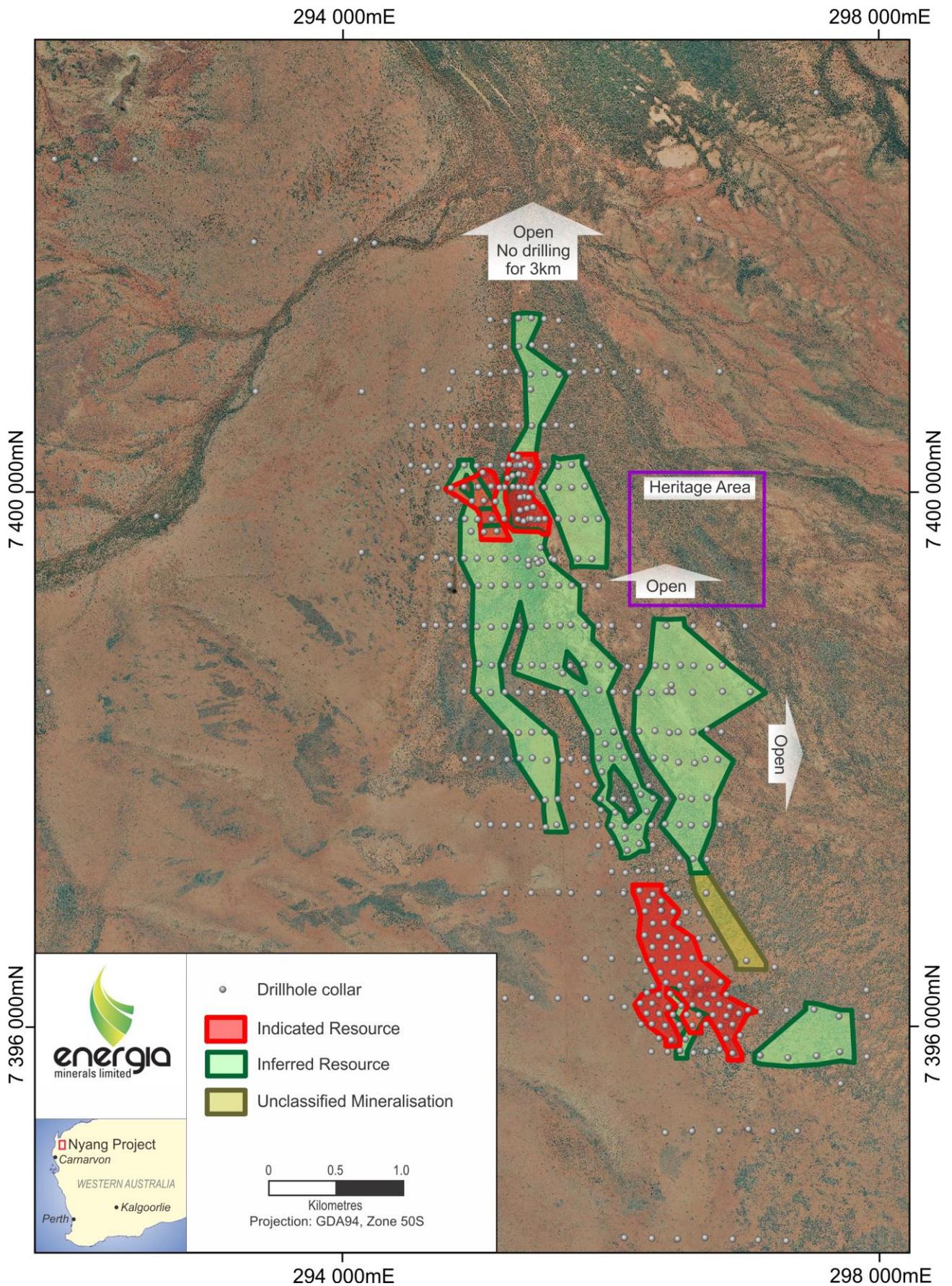


Figure 2 – Nyang Project showing Inferred and Indicated resource outlines at Carley Bore.

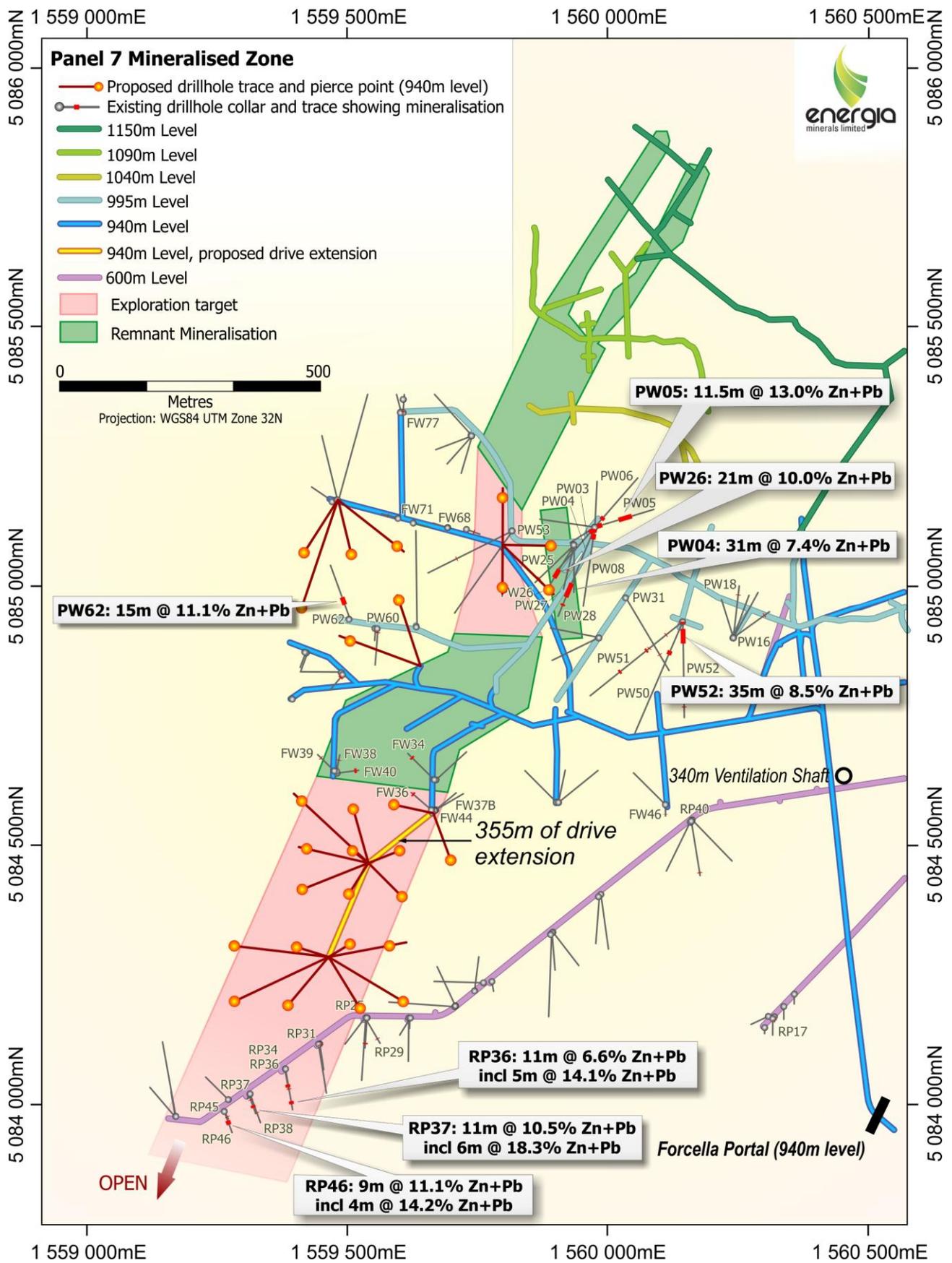


Figure 3 – Gorno zinc-lead project, Italy showing historical workings and location of historical underground diamond drilling as well as planned drilling program.

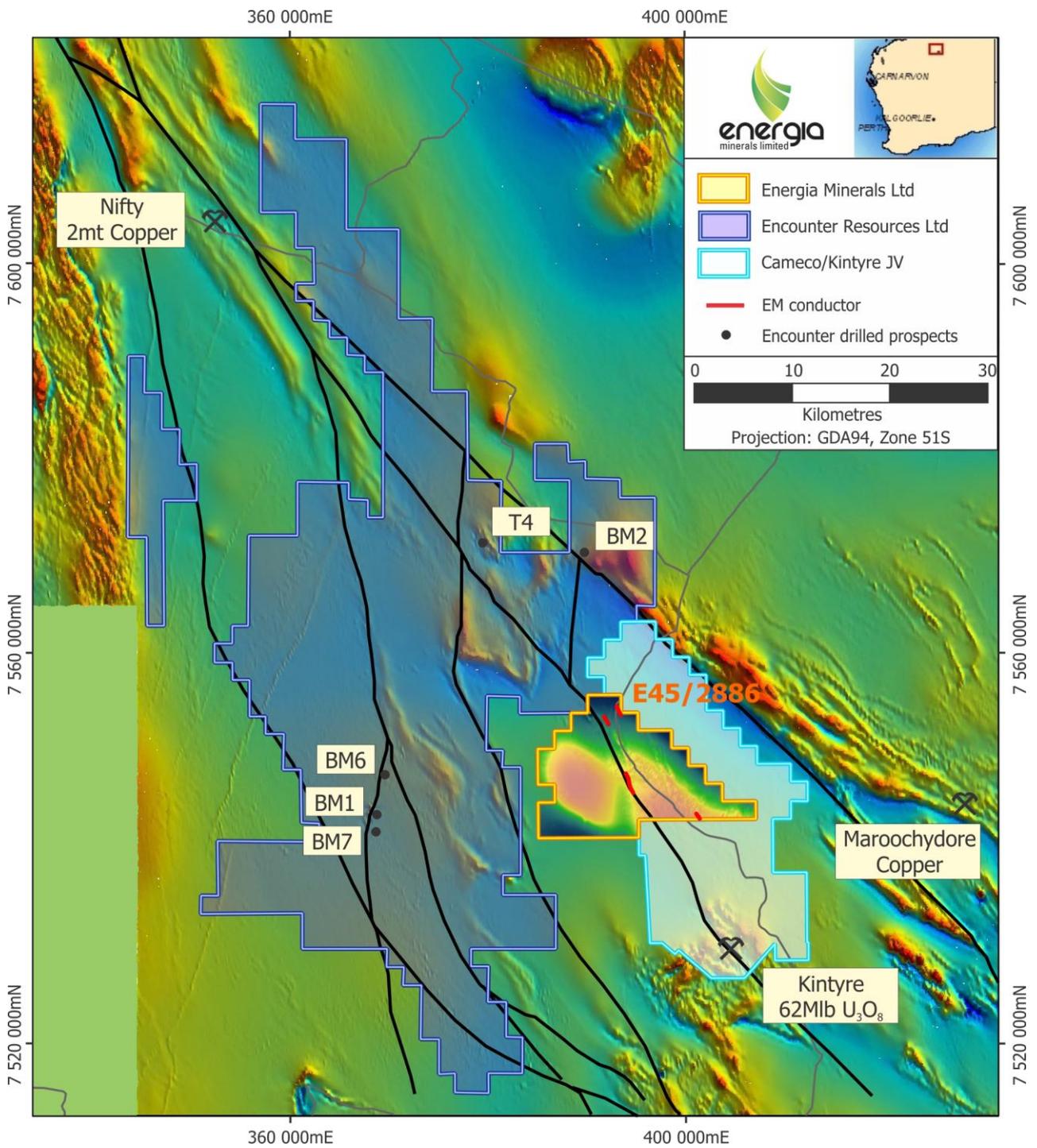


Figure 4 – Location of granted Table Top Exploration Licence E45/2886 on magnetic image, showing interpreted faults, EM conductors, major deposits and recent nearby discoveries and prospects.

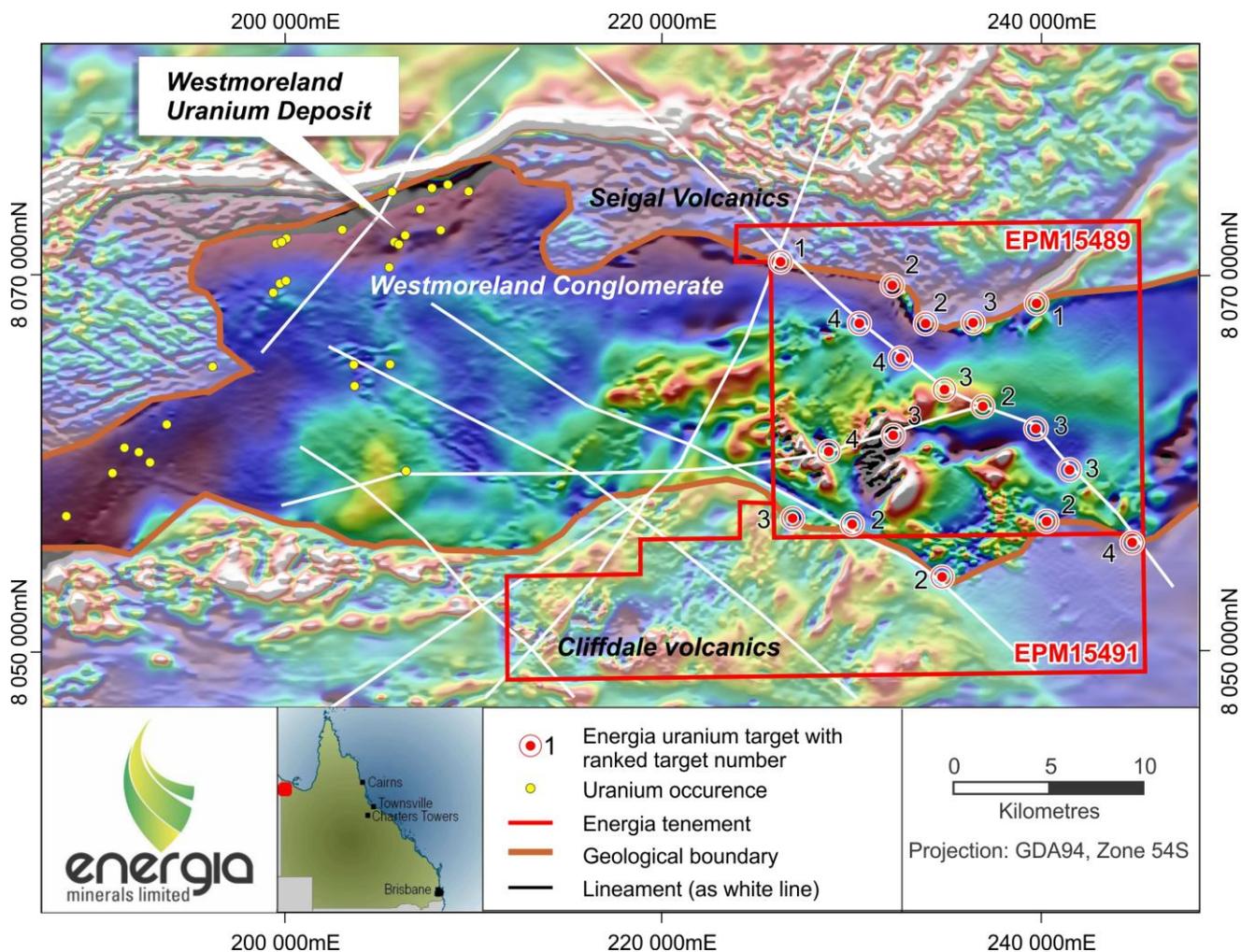


Figure 5 – Westmoreland Project Queensland: Energia granted leases and conceptual targets.

Table 2 - Schedule of Mining Tenements Held

| Project | Tenement | Entity's Interest | Comments |
|---------------------------|-------------|-------------------|-------------|
| Western Australia | | | |
| Nyang | E 08/1644 | 100% | Granted |
| Nyang | E 08/1645 | 100% | Granted |
| Nyang | E 08/1646 | 100% | Granted |
| Table Top | E 45/2886 | 100% | Granted |
| Gascoyne | E09/1966 | 100% | Granted |
| South Australia | | | |
| Gawler Craton | EL 5111 | 100% | Granted |
| Queensland | | | |
| Westmoreland | EPM 15489 | 100% | Granted |
| Westmoreland | EPM 15491 | 100% | Granted |
| Northern Territory | | | |
| McArthur | EL 25269 | 100% | Application |
| McArthur | EL 25272 | 100% | Application |
| Italy | | | |
| Novazza | N/A | 100% | Application |
| Val Vedello | N/A | 100% | Application |
| Gorno | Decree 1633 | 100% | Granted |
| Gorno | Decree 1571 | 100% | Granted |
| Gorno | Decree 1629 | 100% | Granted |
| Gorno | Decree 1632 | 100% | Granted |
| Gorno | Decree 1630 | 100% | Granted |
| Gorno | N/A | 100% | Application |
| Gorno | N/A | 100% | Application |
| Gorno | N/A | 100% | Application |
| Gorno | N/A | 100% | Application |
| Gorno | N/A | 100% | Application |

Table 3 - Schedule of Mining Tenements Relinquished

| Area of Interest | Tenement | Entity's Interest | Comments |
|---------------------------|----------|-------------------|-------------|
| Northern Territory | | | |
| Alice Springs | EL 25264 | 100% | Application |
| Alice Springs | EL 25267 | 100% | Application |

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ENERGIA MINERALS LTD

ABN

ABN 63 078 510 988

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

| | Current quarter \$A'000 | Year to date (9 months) \$A'000 |
|---|----------------------------|---------------------------------------|
| Cash flows related to operating activities | | |
| 1.1 Receipts from product sales and related debtors | - | - |
| 1.2 Payments for (a) exploration and evaluation (net) | (624) | (1,499) |
| (b) development | - | - |
| (c) production | - | - |
| (d) administration (net) | (155) | (572) |
| 1.3 Dividends received | - | - |
| 1.4 Interest and other items of a similar nature received | 2 | 20 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes benefit received | - | - |
| 1.7 Other | 5 | 5 |
| Net Operating Cash Flows | (772) | (2,046) |
| Cash flows related to investing activities | | |
| 1.8 Payment for purchases of: (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | (1) | (10) |
| 1.9 Proceeds from sale of: (a) prospects | - | - |
| (b) equity investments | - | - |
| (c) other fixed assets | 1 | 1 |
| 1.10 Loans to other entities | - | - |
| 1.11 Loans repaid by other entities | - | - |
| 1.12 Other (provide details if material) | - | 21 |
| - Reduction/(Increase) in bonds | - | 21 |
| Net investing cash flows | - | 12 |
| 1.13 Total operating and investing cash flows (carried forward) | (772) | (2,034) |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

| | | | |
|---|--|--------------|--------------|
| 1.13 | Total operating and investing cash flows (brought forward) | (772) | (2,034) |
| Cash flows related to financing activities | | | |
| 1.14 | Proceeds from issues of shares, options, etc. (net of costs) | 643 | 1,139 |
| 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 | - | - |
| Net financing cash flows | | 643 | 1,139 |
| Net increase (decrease) in cash held | | (129) | (895) |
| 1.20 | Cash at beginning of quarter/year to date | 817 | 1,586 |
| 1.21 | Exchange rate adjustments to item 1.20 | 1 | (2) |
| 1.22 | Cash at end of quarter | 689 | 689 |

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 | 109 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

1.23 Being the Managing Director's and Finance Director's salary and superannuation prior to overhead recovery plus Non-Executive Director 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

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

+ 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/bonds | 110 | 65 |

Estimated cash outflows for next quarter

| | \$A'000 |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 450 |
| 4.2 Development | - |
| 4.3 Production | - |
| 4.4 Administration (net) | 150 |
| Total | 600 |

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 | 189 | 380 |
| 5.2 Deposits at call | 500 | 437 |
| 5.3 Bank overdraft | - | - |
| 5.4 Other (provide details) | - | - |
| Total: cash at end of quarter (item 1.22) | 689 | 817 |

Changes in interests in mining tenements

| | Tenement reference | Nature of interest | 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 | | | |

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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.

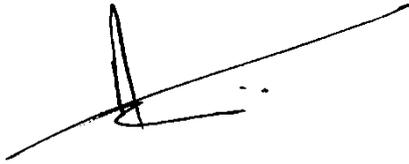
| | Total number | Number quoted | Issue price per security (cents) | Amount paid up per security (cents) |
|--|--------------------|--------------------|----------------------------------|-------------------------------------|
| 7.1 Preference *securities <i>(description)</i> | Nil | Nil | - | - |
| 7.2 Changes during quarter | | | | |
| (a) Increases through issues | - | - | - | - |
| (b) Decreases through returns of capital, buy-backs, redemptions | - | - | - | - |
| 7.3 *Ordinary securities | 232,802,667 | 232,802,667 | Various | Fully Paid |
| 7.4 Changes during quarter | | | | |
| (a) Increases – Rights Issue | 30,188,849 | 30,188,849 | \$0.022 | \$0.022 |
| - Directors Fees | 1,318,810 | 1,318,810 | \$0.028 | \$0.028 |
| (b) Decreases through return of capital, buy-backs | - | - | - | - |
| 7.5 *Convertible debt securities <i>(description)</i> | Nil | Nil | - | - |
| 7.6 Changes during quarter | | | | |
| (a) Increases through issues | - | - | - | - |
| (b) Decreases through securities matured, converted | - | - | - | - |
| 7.7 Options | | | <i>Exercise price</i> | <i>Expiry date</i> |
| Unlisted-vested | 5,500,000 | - | \$0.225 | 8 July 2015 |
| Unlisted-vested | 5,000,000 | - | \$0.25 | 26 October 2014 |
| Unlisted-vested | 250,000 | - | \$0.25 | 3 March 2015 |
| Unlisted-vested | 2,500,000 | - | \$0.30 | 26 October 2014 |
| Unlisted-vested | 5,000,000 | - | \$0.30 | 24 June 2015 |
| Unlisted- vested | 250,000 | - | \$0.30 | 3 March 2015 |
| Unlisted-vested | 400,000 | - | \$0.30 | 30 June 2015 |
| Unlisted- vested | 1,250,000 | - | \$0.15 | 30 June 2015 |
| Unlisted- vested | 4,000,000 | - | \$0.10 | 30 April 2017 |
| Unlisted- vested | 4,000,000 | - | \$0.20 | 30 April 2017 |
| Unlisted- vesting 30/4/2014 | 4,000,000 | - | \$0.30 | 30 April 2017 |
| 7.8 Issued during quarter | - | - | - | - |
| 7.9 Exercised during quarter | - | - | - | - |
| 7.10 Expired during quarter | - | - | - | - |
| 7.11 Debentures <i>(totals only)</i> | Nil | Nil | | |
| 7.12 Unsecured notes <i>(totals only)</i> | Nil | Nil | | |

+ See chapter 19 for defined terms.

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.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

A handwritten signature in black ink, appearing to be 'Max Cozijn', written over a horizontal line.

Date: 28 April 2014

Print name: **Max Cozijn**
(Company Secretary)