

# 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

**TECTONIC RESOURCES NL**

ABN

**61 004 287 790**

Quarter ended ("current quarter")

**31 March 2011**

### Consolidated statement of cash flows

		Current quarter	Year to date
		\$A'000	(9 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors	14	1,243
1.2	Payments for:		
	(a) exploration & evaluation	(882)	(3,147)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(404)	(1,804)
	(e) executive directors termination payments	(537)	(537)
	(f) unused leave payments on termination of employment	(174)	(174)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	21	50
1.5	Interest and other costs of finance paid	(11)	(32)
1.6	Income taxes paid	-	-
1.7	Other (provide details if material): ATO R&D tax concession offset	599	599
<b>Net operating cash flows</b>		<b>(1,374)</b>	<b>(3,802)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(4)	(12)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	31	31
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material): Headworks for power connection	(110)	13
<b>Net investing cash flows</b>		<b>(83)</b>	<b>32</b>
1.13	Total operating and investing cash flows (carried forward)	<b>(1,457)</b>	<b>(3,770)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(1,457)	(3,770)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	4,960	6,347
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(83)	(240)
1.18	Dividends paid	-	-
1.19	Other (provide details if material): Capital raising costs	(274)	(274)
	<b>Net financing cash flows</b>	4,603	5,833
	<b>Net increase in cash held</b>	3,146	2,063
1.20	Cash at beginning of quarter/year to date	240	1,323
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	3,386	3,386

**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 (Ref 1.25)	839
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes payments to directors for salaries, chairman/director's fees, termination payments, superannuation salary sacrifice and superannuation guarantee.

**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

N/A

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

N/A

+ 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	940
4.2 Development	-
4.3 Production	-
4.4 Administration	350
<b>Total</b>	<b>1,290</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	3,386	240
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,386</b>	<b>240</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	N/A			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

6.2	Interests in mining tenements acquired or increased	P74/281-i	Granted as part of an Option Agreement.	-	90%
		P74/295-i		-	90%
		P74/296-i		-	90%
		P74/297-i		-	90%
		P74/298-i		-	90%
		E74/379-i	Granted as part of an Option Agreement.	-	100%
		P74/262-i		-	100%
		P74/263-i		-	100%
		P74/264-i		-	100%
		P74/269-i		-	100%
		P74/270-i		-	100%
		P74/272-i		-	100%
		P74/274-i		-	100%
		P74/275-i		-	100%
		P74/280-i		-	100%
		M74/83-i		-	100%

**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 <sup>+</sup>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><sup>+</sup>Ordinary securities</b>	465,655,975	465,655,975		Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	38,923,235 37,500,000	38,923,235 37,500,000	\$0.06 \$0.07	Fully Paid Fully Paid
7.5	<b><sup>+</sup>Convertible debt securities</b> <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

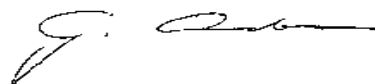
<sup>+</sup> See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

7.7	<b>Options</b> Options over fully paid ordinary shares	500,000 3,000,000 500,000 6,000,000 1,500,000 9,000,000 1,000,000 4,500,000 19,461,618 2,000,000 2,000,000 4,000,000	- - - - - - - - - - - -	<u>Exercise price</u> 7.08 cents 7.08 cents 6.50 cents 10.0 cents 10.0 cents 8.0 cents 8.0 cents 6.49 cents 7.5 cents 10.0 cents 15.0 cents 7.5 cents	<u>Expiry date</u> 09.09.2011 03.12.2011 22.07.2012 30.11.2012 18.12.2012 30.11.2014 18.12.2014 29.12.2013 30.12.2013 06.01.2013 27.02.2014 30.12.2013
7.8	Issued during quarter	19,461,618 2,000,000 2,000,000 4,000,000	- - - -	7.5 cents 10.0 cents 15.0 cents 7.5 cents	30.12.2013 06.01.2013 27.02.2014 30.12.2013
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)				

## 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 ~~/does not~~\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29 April 2011  
(Company secretary)

Print name: Graham Anderson

## 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

---

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

---

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* 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.

== == == == ==