

Quarterly Activities Report

For the 3 months ended 31 December 2012

HIGHLIGHTS

- **Successful Capital Raising and ASX Listing**

Windward Resources Limited ("Windward") is pleased to present its Quarterly Activities Report for the 3 months ended on the 31st of December 2012.

Successful ASX Listing

Windward is pleased to report that on the 28th of November 2012 15,442,500 fully paid ordinary shares began quotation on the Australian Securities Exchange. The Company successfully raised \$2 million at 20 cents per share under its Initial Public Offering ("IPO"), reaching its maximum subscription.

Initial work on Fraser Range South Project

Post the close of Windward's IPO, the company has identified activities to be undertaken on its Fraser Range South Project. The Fraser Range South Project is located approximately 30 km south south east of Jerramungup and 40 km north west of Bremer Bay, Western Australia.

As outlined in the company prospectus dated the 15th of October 2012, the company has developed an exploration plan which includes an airborne magnetic survey over both tenements; the board considers this the most appropriate initial exploration activity. It is expected that the company will have completed the aeromagnetic survey by the end of the quarter ending the 31st of March 2013.

Business Development and Project Assessment

The Board of Directors and its agents have begun reviewing projects that may be suitable for acquisition by the Company to drive shareholder value.

For and on behalf of the Board of Directors,



Josh Puckridge, Non-Executive Director & Company Secretary

ASX Code: WIN
Shares on Issue: 25,442,500
Cash at Bank: \$3.28 million

Chairman: Steve Lowe
Non Exec: George Cameron-Dow
Non Exec: Josh Puckridge

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Windward Resources Limited ("Windward") was incorporated on 18 May 2012 for the purpose of identifying exploration projects in Albany Fraser Range region and elsewhere.

Windward's initial project is the Fraser Range South Project. The Company has the right to earn up to 70% in the project.

Substantial Shareholders:

Yandal Investments Pty Ltd: 30.4%
Fleming SG Special Opp. Fund: 12.2%

For inquiries please contact:

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Non-Exec. Director & Secretary
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Appendix 5B

Mining 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

Name of entity

Windward Resources Limited

ABN

38 158 432 270

Quarter ended ("current quarter")

31 December 2012

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 (b) development (c) production (d) administration	- - - (95)	- - - (124)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	22	30
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(73)	(94)
Cash flows related to investing activities		
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 (c) other fixed assets	- - -	- - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(73)	(94)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(73)	(94)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	2,000	3,831
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Payment of share issue costs	(365)	(454)
Net financing cash flows		1,635	3,377
Net increase (decrease) in cash held		1,562	3,283
1.20	Cash at beginning of quarter/year to date	1,724	3
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,286	3,286

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	66
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Amount comprises director fees paid to non-executive directors, fees paid in relation to executive management and corporate services. All amounts paid were on normal commercial terms.

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

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	152
4.2 Development	-
4.3 Production	-
4.4 Administration	71
Total	223

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	3,286	1,724
5.2 Deposits at call	Nil	Nil
5.3 Bank overdraft	Nil	Nil
5.4 Other (provide details)	Nil	Nil
Total: cash at end of quarter (item 1.22)	3,286	1,724

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

+ 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 (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	25,442,500	19,536,500		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	(a) 10,000,000	(a) 10,000,000	(a) 20 cents	(a) 20 cents
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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

Sign here:

Date: 29/01/2013



Print name: Josh Puckridge (Director & Company Secretary)

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: 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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