

## ASX Release

31 July 2012

### SIGNATURE METALS LIMITED

Level 1 / 333 Collins Street  
Melbourne, Victoria, Australia

#### Directors:

Raymond Tan  
Mark Gillie  
Choy Yin Wong  
Roland Selvanayagan  
Bill Oliver  
Theo Christodoulou (alternate  
director for Mark Gillie)

#### Company Secretary:

Adrian Di Carlo

#### Issued Capital:

2,760 million shares

ASX: SBL

Website : [www.signaturemetals.com.au](http://www.signaturemetals.com.au)

E-mail: [info@signaturemetals.com.au](mailto:info@signaturemetals.com.au)

Ph: 1300 784 494

Fax: (03) 8672 6632

# JUNE 2012 QUARTERLY REPORT

## HIGHLIGHTS

- Konongo's best production quarter to date with almost 3,553 fine ounces of gold produced
- Revenues of US\$5.5 million received from sale of gold.
- Brings total gold produced to date to almost 11,000 ounces and total revenues received from gold sales to over US\$14 million.
- Trial open pit mining continuing at Atunsu North (formerly named Kyereben West in prior releases) - plans in place for trial mining at Boabedroo South.
- RC drilling commenced during July, Results for three holes have been returned, including:
  - 5m at 6.41g/t from 25m (KWRC011)
  - 2m @ 1.16g/t from 43m (KWRC012)
  - 3m @ 1.15g/t from 41m (KWRC013)
  - 1m @ 2.92g/t from 60m (KWRC013)
- Results returned from the dry-season trenching program include:
  - 1m at 5.34g/t Au (BXT002 – Boabedroo Sth Extended)
  - 3m at 4.28g/t Au (BXT002 – Boabedroo Sth Extended)
  - 1m at 8.38g/t Au (BXT002 – Boabedroo Sth Extended)
  - 2m at 2.64g/t Au (BXT008 – Boabedroo Sth Extended)
  - 2m at 3.33g/t Au (KKET004 – Kwakawkaw)
  - 1m at 6.86g/t Au (KLT001 – Leopard)
  - 4m at 4.21g/t Au (KLT001) – Leopard)
  - 5m at 1.3g/t Au (KLT008) – Leopard)
  - 1m at 3.39g/t Au (POT035 – Patuo)
  - 7m at 4.95g/t Au (BSXGC005 – Boabedroo Sth Extended)
  - 1m at 7.3g/t Au (BSXGC012 – Boabedroo Sth Extended)
  - 2m at 5.08g/t Au (BSXGC013 – Boabedroo Sth Extended)
  - 3m at 2.1g/t Au (BSXGC020 – Boabedroo Sth Extended)
  - 2m at 7.83g/t Au (BSXGC021 – Boabedroo Sth Extended)
  - 1m at 4.93g/t Au (BSXGC022 – Boabedroo Sth Extended)

Trial Mining at Atunsu North Pit



## KONONGO GOLD PROJECT, GHANA

The Konongo Gold Project contains 16 known gold deposits along 12 kilometres of strike in the world class Ashanti Gold Belt in Ghana (Figures 1 and 2). The project currently contains approximately 1.47 million ounces of gold in JORC compliant resources (23.4 million tonnes at 1.95g/t gold in the Indicated and Inferred categories; Table 1).

### PRODUCTION

Signature Metals Limited (“Company” or “Signature”) continued increased production at the Konongo Gold Project. Production during the June Quarter exceeded that of the March Quarter by 60% with the total gold recovered being 3,553 ounces of gold, a rate of over 1,000 ounces per month. The Company is aiming to match the production rate of 1,000 ounces per month over the coming September Quarter. To date the Company has received over US\$14 million from sales of gold, including US\$5.5 million during the June quarter (compared with US\$4.0 million during the March Quarter).

#### Quarterly Production Summary

	September Qtr	December Qtr	March Qtr	June Qtr
<b>Tonnes processed</b>	88,271	67,854	59,125	59,891
<b>Rate (tonnes / day)</b>	1,051	837	873	776
<b>Availability</b>	91%	88%	74%	85%
<b>Gold added to Circuit (oz)</b>	1,582	1,966	2,226	3,553

Throughput during the June Quarter was similar to that in the March Quarter at approximately 60,000 tonnes of ore. Average gold recovery for June Quarter was 83%, representing a significant improvement from the March Quarter (58%). Significantly, plant availability improved to 85% reflecting improvements in the availability and quality of power. The progress being made in production at the Project can be seen in the summary table below which shows year-to-date (YTD) production by month.

#### Monthly Production Summary

	January	February	March	April	May	June
<b>Tonnes processed</b>	22,394	16,400	20,331	20,750	20,695	18,445
<b>Rate (tonnes / day)</b>	887	836	873	867	788	672
<b>Availability</b>	81%	68%	75%	80%	85%	91%
<b>Grade</b>	1.88	1.79	2.01	2.21	1.98	2.25
<b>Recovery</b>	50%	58%	53%	76%	79%	73%
<b>Gold produced (oz)</b>	677	546	700	1,123	1,047	971

The challenge remains to manage the wet and clay-rich nature of the oxide ore to ensure a consistent throughput. It can be seen in the table above that plant availability increased during the June Quarter but the total tonnes milled for the month of May did not increase proportionally. This was due to blinding of the screens in the crushing plant, and material hanging up in chutes in the mill feed.

The other challenge during the wet season is to maintain consistent RoM stocks. During the June Quarter the Company continued the successful mining of the Atunsu North (formerly named Kyereben West) Deposit. *Due to some confusion between the Kyereben West Prospect (trenched/drilled by Signature in 2010-2011) and the Kyereben, Kyereben North and Kyereben West Deposits (which were identified by previous explorers who also defined a JORC resource at the Kyereben West Deposit) it has been decided to rename the Kyereben West Prospect as Atunsu North.* The ore from this deposit has made a quantum improvement in the profitability of the operation, when compared to the material fed to the plant earlier in the year. The tailings previously mined, hauled and treated typically yielded recoveries between 50 – 60%, consistently below the 60% targeted for this material. Average gold recovery for the June Quarter was 76% and the expectation is that recoveries should continue to improve in future months, with a target of 90% for the oxide material.

Investors will note that while production and revenues this quarter were significantly higher net operating cash flows were still negative. A significant contributor to this quarters cash flow statement is an accounting adjustment relating to “change in inventory”. Current practise is to estimate the “net realisable value” of the RoM stockpiles and gold-in-circuit and add the change in this value to the cash flow statement. For this quarter the change in inventory was estimated at -US\$1.4 million reflecting the fact that RoM stockpiles reduced by over 7,000 tonnes of ore over the quarter. The reduction of RoM stocks was significant this quarter due to disruptions in haulage due to the wet weather. It should be noted that the overall “change in inventory” for FY 2011/2012 is +US\$0.46 million, reflecting the value of ore added to the stockpile during the dry season. The Company expects that the impact of this “accounting adjustment” should be less significant in coming quarters.

While further drilling is required to delineate a JORC Code compliant resource the Company has delineated an Exploration Target<sup>1</sup> for the Atunsu North Deposit based on drill intersections to date of 120,000 to 220,000 tonnes of ore at grades between 1.4 and 1.8g/t of gold<sup>1</sup>. This Exploration Target<sup>1</sup> is part of the Company’s global Exploration Target<sup>1</sup> of 1.5 to 2.5 million ounces of gold (derived from 20 to 25 million tonnes of mineralised material at an average grade of 2 to 4 g/t gold).

In addition to Atunsu North, the Company continues to assess the shallow oxide mining potential of the Boabedroo South Extended. The Boabedroo South Extended area has required surface exploration to validate the resource model and infill near-surface data. The current JORC compliant indicated and inferred resource at Boabedroo South Extended is approximately 2,855,800 tonnes at 2.31g/t Au. The portion identified for initial trial mining is 163,000 tonnes at 1.98g/t Au.

<sup>1</sup> These Exploration Targets are conceptual in nature and relates to defined Exploration Targets/areas where mineralisation has been identified but resources have not been delineated. The Exploration Target for Atunsu North is based on a strike length of 200 metres, mineralised widths between 8 and 15 metres (as intersected in drilling) extending to a depth of 50 to 60 metres and using an SG of 1.5 for oxide material and 2.7 for fresh. The quantity and grade of the global Exploration Target is based on past production records and in comparison with currently defined Mineral Resources contained within the project. There has been insufficient exploration to define a Mineral Resource in these areas and it is uncertain if further exploration will result in the determination of a Mineral Resource different to the JORC-Code compliant resource presented in Table 7.

The Patuo Prospect has been downgraded as an immediate ore source. Trenching was carried out at Patuo to infill and validate the resource model. A prospective zone identified at surface with close-spaced trenching does not meet the current mining criteria.

The Company is aiming to add another source of oxide ore into the production schedule over the coming 6 months.

## **EXPLORATION**

During the June Quarter, exploration continued to focus on shallow oxide mineralisation potential and alluvial reconnaissance sampling. Also, a soil sampling program - to fill in gaps in the soils dataset and capture arsenic data in key areas - was commenced. Activities for the June Quarter 2012 are summarised below:

- RC Drilling Program (716m)
- Ashanti Shear soils program (2009 samples)
- Kwakawkaw soils program (1,194 samples)
- Reconnaissance pitting at Nyabo (14 pits)
- Trenching at Kyereben North (9 trenches – 838m)
- Trenching at Boabedroo Sth Extended (18 trench – 389m)
- Trenching at Pekyrekye (1 trench – 16m – incomplete)

Locations discussed in the text are shown in Figure 2 and Figure 3.

### **Reverse Circulation Drilling**

A Reverse Circulation (RC) drill rig arrived on site in early July to commence a 5,000m RC program focussing on brown field targets and validating greenfield prospects. The rig commenced operations at the Atunsu North Deposit, targeting mineralisation open to the north, south, and beneath the deposit (Figure 4). 11 holes have been drilled on the continuation of the Atunsu North Deposit trend to date and all include quartz veined (and potentially mineralised) intervals. Results have been returned for three holes and include:

- 1m @ 1.77g/t from 6m (KWRC011)
- 1m @1.39g/t from 22m (KWRC011)
- 5m at 6.41g/t from 25m (KWRC011)
- 1m @ 1.03g/t from 40m (KWRC012)
- 2m @1.16g/t from 43m (KWRC012)
- 3m @1.15g/t from 41m (KWRC013)
- 1m @ 2.92g/t from 60m (KWRC013)
- 1m @ 1.51g/t from 63m (KWRC013)

Returned results to date are summarised in Table 2 and Figure 5. The returned results are significant as they intersect minable grades at target depths in an area previously believed to include sub-economic gold grades. The result demonstrates that mineralisation is continuous throughout the established strike length of the Atunsu North Deposit.

## Soils

Soils programs (Figure 6) include:

- the Kwakawkaw structural flexure - which reorients the grid to better test structurally rotated syngenetic mineralisation. The reoriented grid is expected to better define a 3km long anomalous geochemical zone for trench and/or drill targeting.
- Infill the data gap along the poorly explored, highly prospective Ashanti Shear, targeting a 10 degree regional flexure in the shear and an adjacent arsenic anomaly – potentially 5km in length.

3,203 soil samples were taken during the June Quarter. The soils surveys were set up on a 300m x 30m grid and samples were taken from the base of the soil 'B' horizon. The samples will be tested from July using a field portable XRF (FPXRF) on site. Elements detectable by the FPXRF include Au-Ag-Zn-Pb-Cu-As-Sb. These elements are recognized pathfinder elements in Ashanti shear-hosted gold systems and will potentially vector to shallow and covered alteration or mineralisation. Historic drilling and trenching on the Ashanti shear and in the Kwakawkaw structural flexure - as well as existing incomplete soils coverage - demonstrates that both targeted areas are gold and arsenic anomalous.

The Ashanti Shear program was completed during the June Quarter. At Kwakawkaw - 1,194 of 1,525 samples have been collected.

The soil samples collected during the program will also be submitted for conventional gold assay at a certified laboratory.

## Trenching

The 2011-2012 trenching program was suspended in May 2012 due to wet weather and is scheduled to recommence after the wet season (October 2012). Most results have been returned during the June Quarter. Results include: Patuo, Boabedroo South Extended, Kwakawkaw, Leopard and Kyereben North. Locations are shown in Figure 3. All results returned in the June Quarter are presented as Table 3.

### Trenching at Patuo

Two phases of trenching have been completed at Patuo. The first phase was designed to test the shallow oxide mineralization associated with deeper drilling results. The second phase tested the possibility of a second mineralisation trend. Results returned to date from the trenches indicate a 3 to 10m wide zone of 2 to 3 gram gold mineralization with a surface strike extent of 110m (reported in the March Quarter 2012 - see Figure 7).

The significant trenching result returned in the June Quarter is:

- 1m at 3.39g/t Au in POT035\_TR

This result is significant, as it leaves the mineralisation open to the north.

### **Trenching at Boabedroo South Extended**

Continued trenching at Boabedroo South Extended infilled the existing data to further increase control on the mineralisation at surface. The mineralisation at surface is continuous and includes discrete zones of thicker, higher grade ore - short strike length plunging shoots of higher grade mineralisation within the structurally controlled enveloping surface.

Significant results returned in the June Quarter are summarised below and in Figure 8. Complete results are presented in Table 3.

- 1m at 5.34g/t Au (BXT002 – Boabedroo Sth Extended)
- 3m at 4.28g/t Au (BXT002 – Boabedroo Sth Extended)
- 1m at 8.38g/t Au (BXT002 – Boabedroo Sth Extended)
- 2m at 2.64g/t Au (BXT008 – Boabedroo Sth Extended)
- 7m at 4.95g/t Au (BSXGC005 – Boabedroo Sth Extended)
- 1m at 7.3g/t Au (BSXGC012 – Boabedroo Sth Extended)
- 2m at 5.08g/t Au (BSXGC013 – Boabedroo Sth Extended)
- 3m at 2.1g/t Au (BSXGC020 – Boabedroo Sth Extended)
- 2m at 7.83g/t Au (BSXGC021 – Boabedroo Sth Extended)
- 1m at 4.93g/t Au (BSXGC022 – Boabedroo Sth Extended)

### **Trenching at Leopard**

Trenching at Leopard targeted the surface projection of narrow, high grade veins (1-2m at 5-15g/t Au) striking over 150m and open to the north.

The trenches exposed sheared volcano-sedimentary succession of felsic tuffite, metabasite, graphitic and non-graphitic volcanoclastic metasedimentary rocks. Mineralisation occurs as a steeply west-dipping zone of stacked, shallow-dipping, north plunging, centimetre-to decimetre scale quartz veins. The veins are tectonised and include disseminated fine grained sulphide in the assemblage. Gold grades are generally better to the southern end of the trenched area, and indicate that, although mineralisation continues to surface, the high grades in historic drilling do not. Significant results are summarised below and in Figure 7.

- 1m at 6.86g/t Au (KLT001 – Leopard)
- 4m at 4.21g/t Au (KLT001) – Leopard)
- 5m at 1.3g/t Au (KLT008) – Leopard)

### **Trenching at Kwakawkaw South**

The trenching program tested mineralisation to the east of the historic Kwakawkaw South open pit. Interpretation of the data indicates that the mineralisation in this area has a surface strike of 50m to 80m with high historical gold grades trending on the regional fabric (045). Trenches were positioned to the north and south of known extents.

Trench results indicated that surface mineralisation is not continuous at surface. The possibility that mineralisation is either truncated or plunging will be tested by drilling in the September Quarter 2012.

The significant trench result is shown below:

- 2m at 3.33g/t Au (KKET004 – Kwakawkaw)

### **Trenching at Kyereben North.**

Nine trenches on the Kyereben North Trend tested the interpreted continuation of shears controlling the mineralisation up to 750m north of the Deposit (Figure 3).

Minor mineralisation was intersected in the southernmost trenches, and is summarised below. Trenches KNT003 and KNT004, sited immediately to the north of the Atunsu North Pit returned minor intercepts and extends the potential strike length of the Kyereben West mineralisation 250m to the northeast:

- 1m at 1.18g/t Au (KNT003)
- 1m at 3.13g/t Au (KNT004)

A 4m wide arsenopyrite- bearing, sulphidic quartz vein was intersected in trench KNT006, 450m north of the Atunsu North Pit. However, samples from the trench returned no significant gold grades.

## **CORPORATE**

During the June Quarter Mr Richard Chan resigned as Chairman and the Board thanks him for his efforts and assistance in this role. Mr Raymond was appointed as a Non-Executive Director.

At 30th June 2012 the Company had approximately A\$1 million cash at bank. During the June Quarter the Company raised approximately A\$5.1 million from a loan on commercial terms as set out in the Company's ASX Announcement. As discussed above the Company also received approximately US\$5.9 million from gold sales during the June Quarter.

Mark Gillie  
Executive Director  
**SIGNATURE METALS LIMITED**

*This release contains certain forward-looking statements. These forward-looking statements are based on management's expectation and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Signature Metals Limited, that could cause actual results to differ materially from such statements.*

Figure 1. Project Location

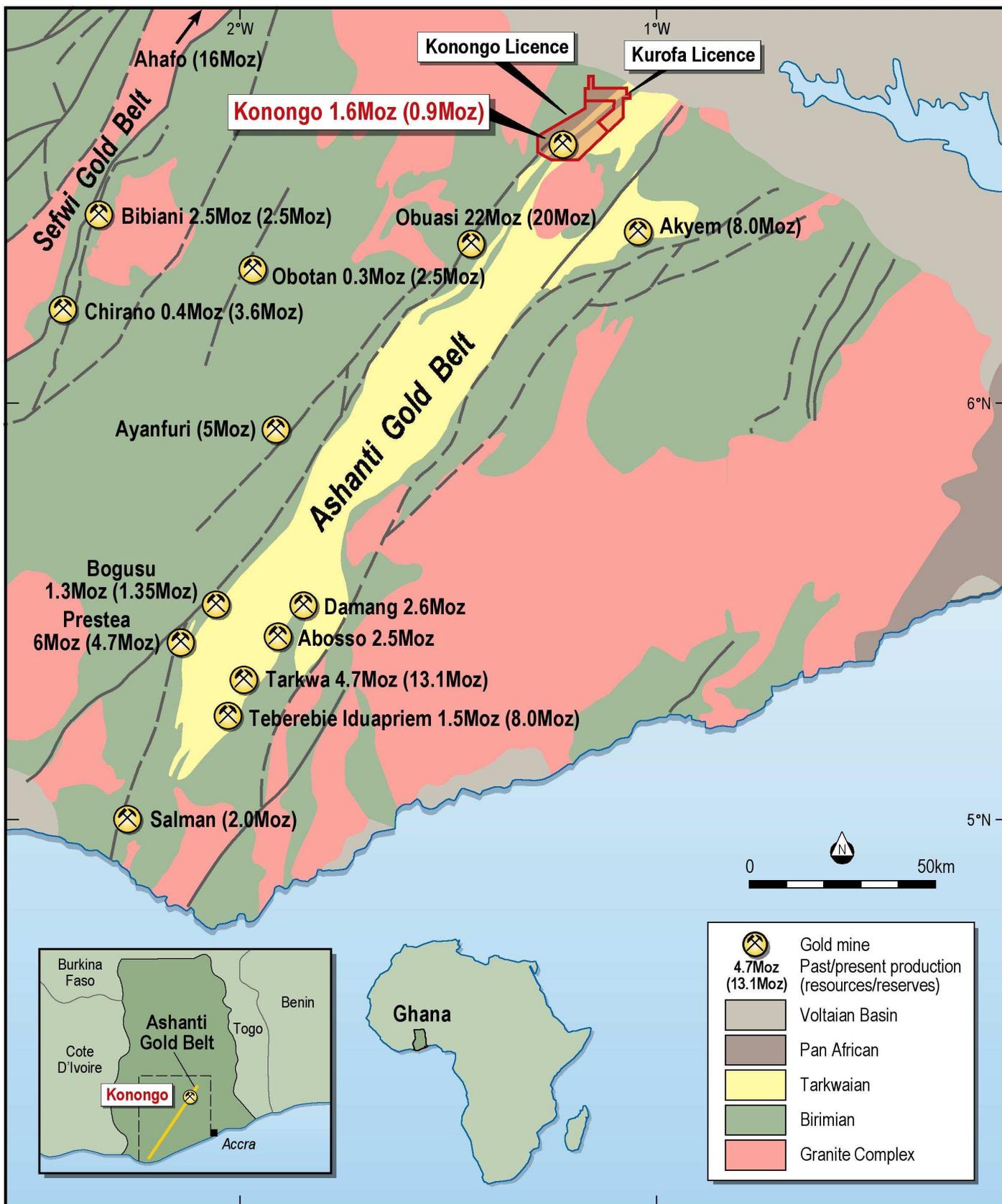
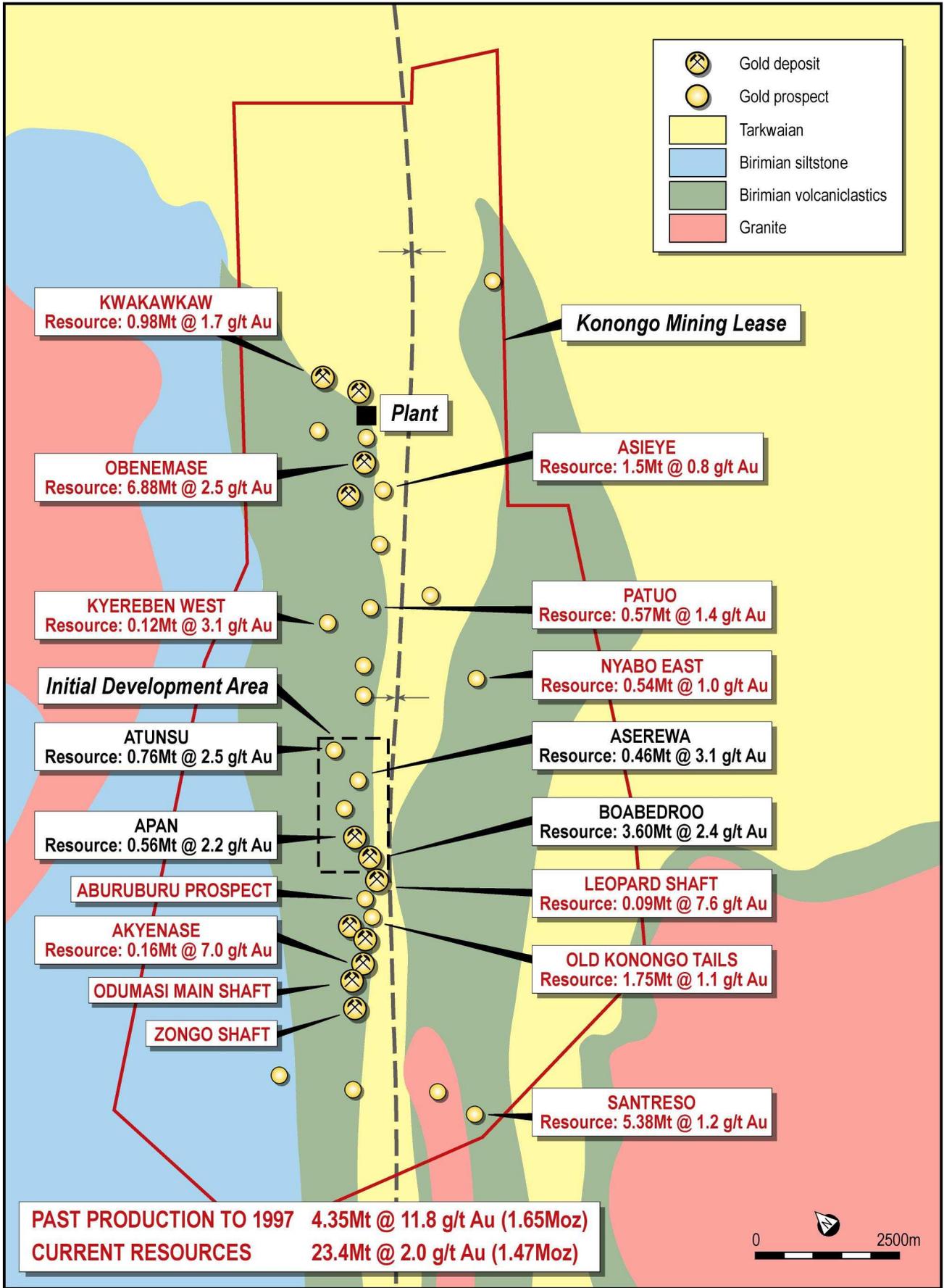


Figure 2. Deposits within the Konongo Gold Project and plant location.



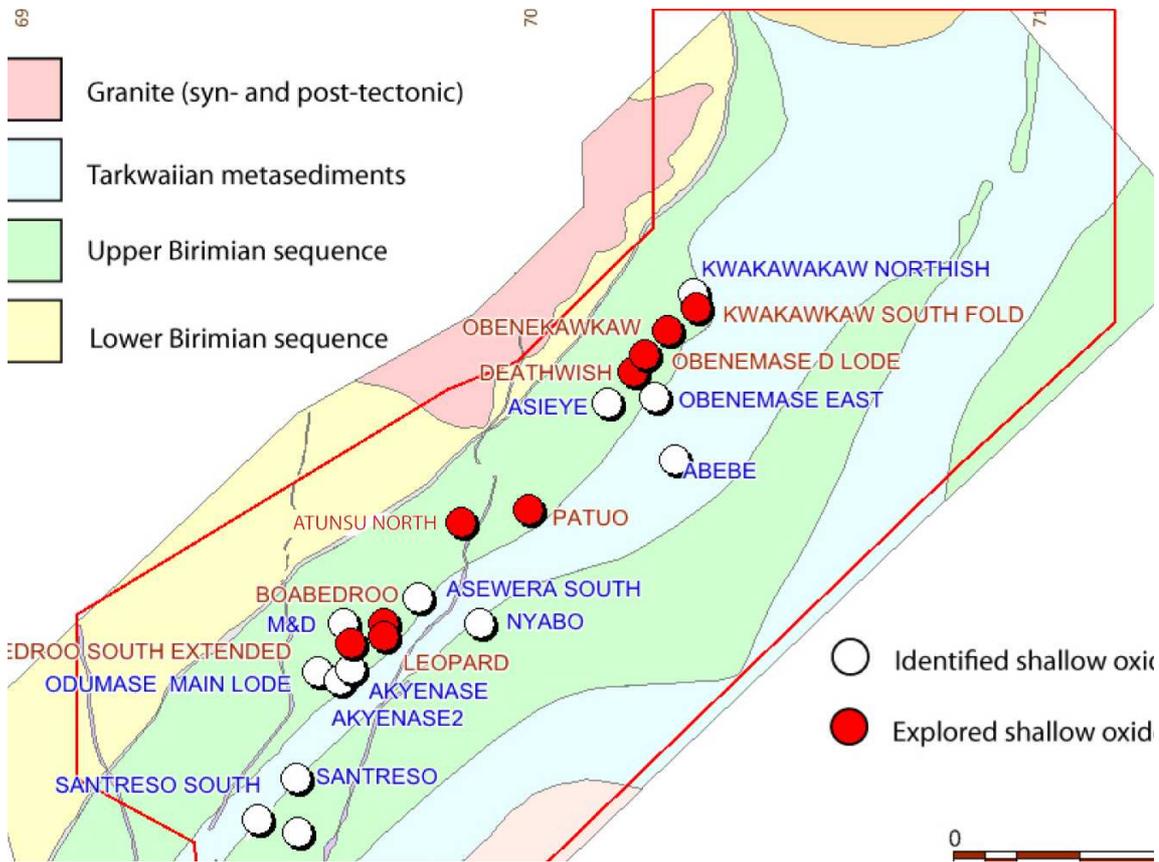


Figure 3 Shallow oxide targets, Konongo Mine (PROJECTION: WGS84UTM30N).

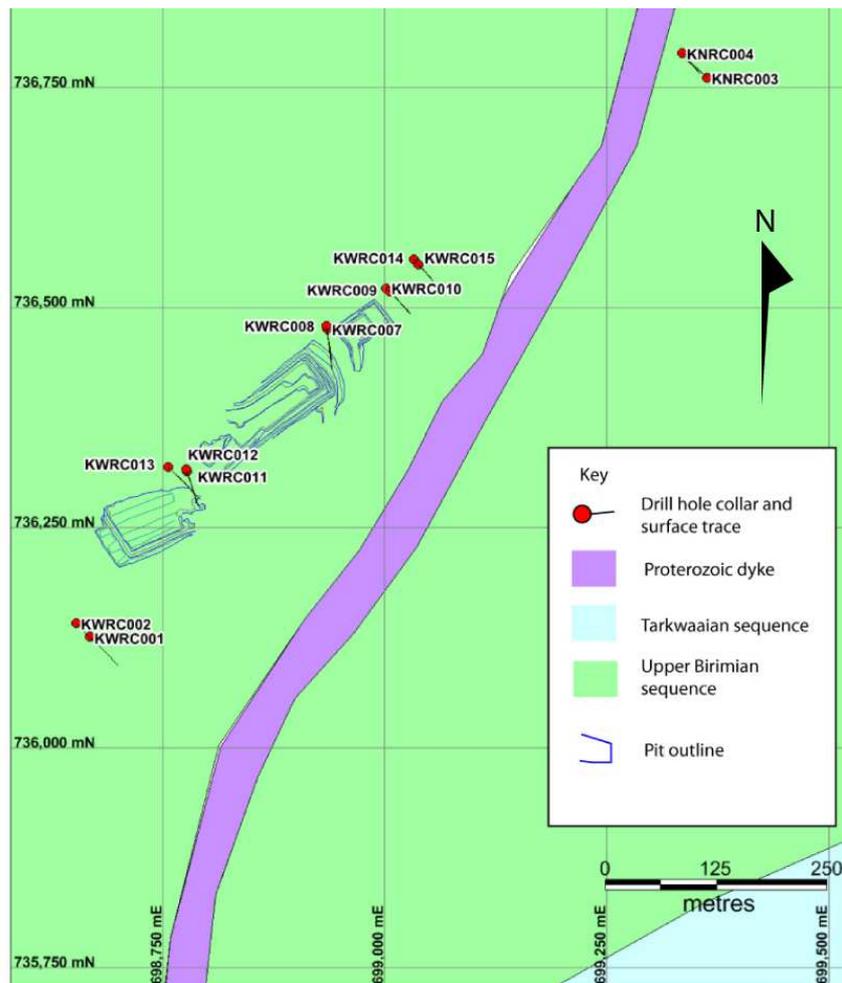


Figure 4 Atunsu North and Atunsu North Extended RC drilling Program (to 15 July 2012)

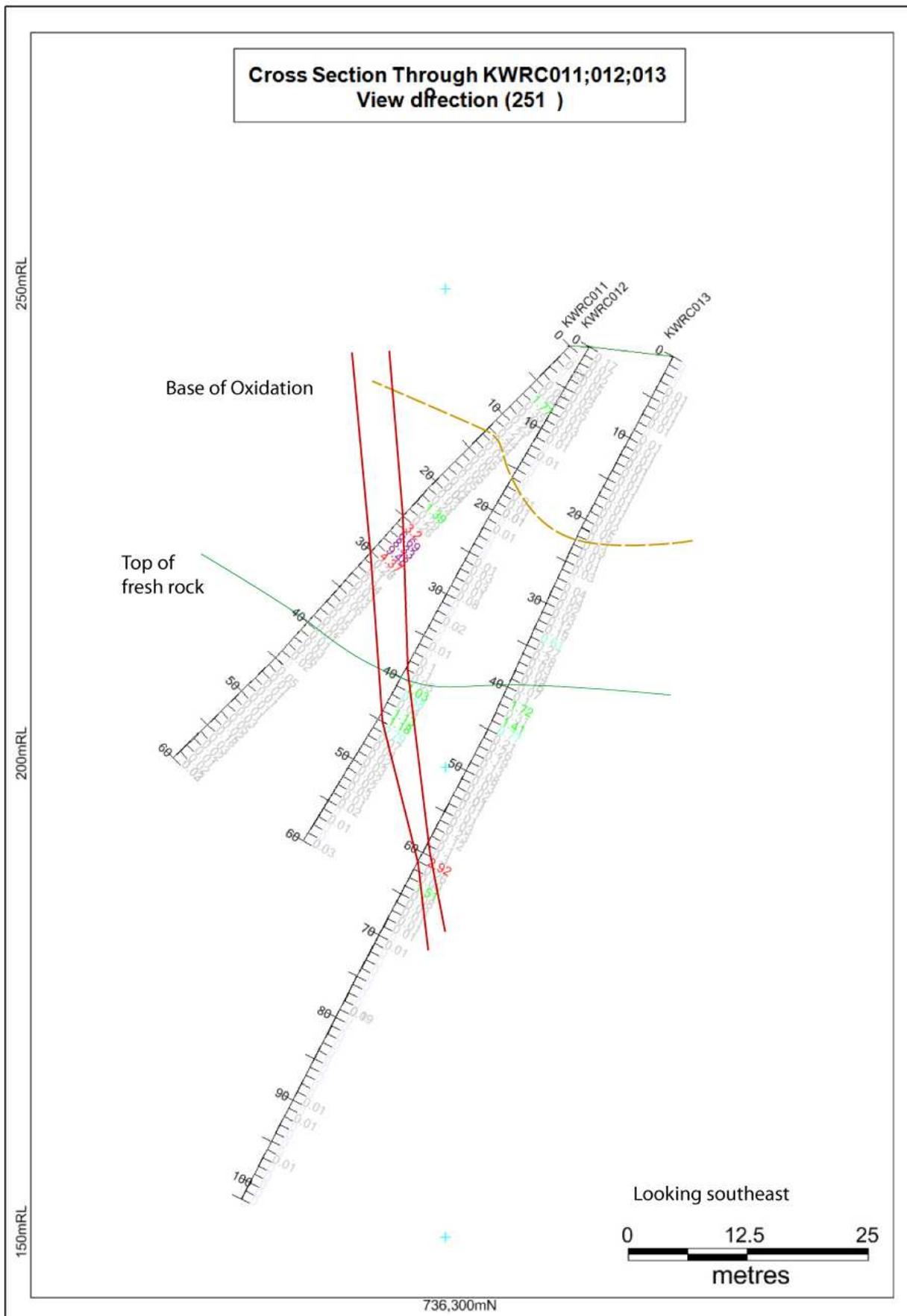


Figure 5 Gold intercepts returned to date at Atunsu North.

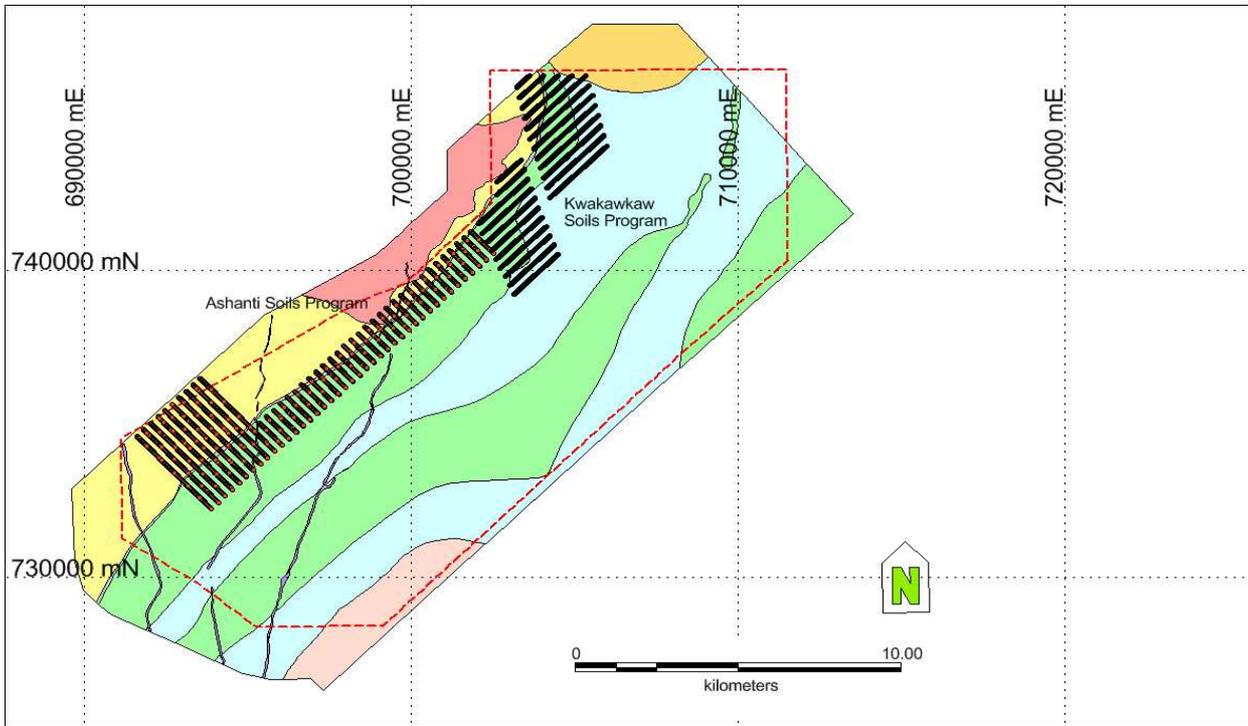


Figure 6 Multi-element soils program (PROJECTION: WGS84UTM30N)

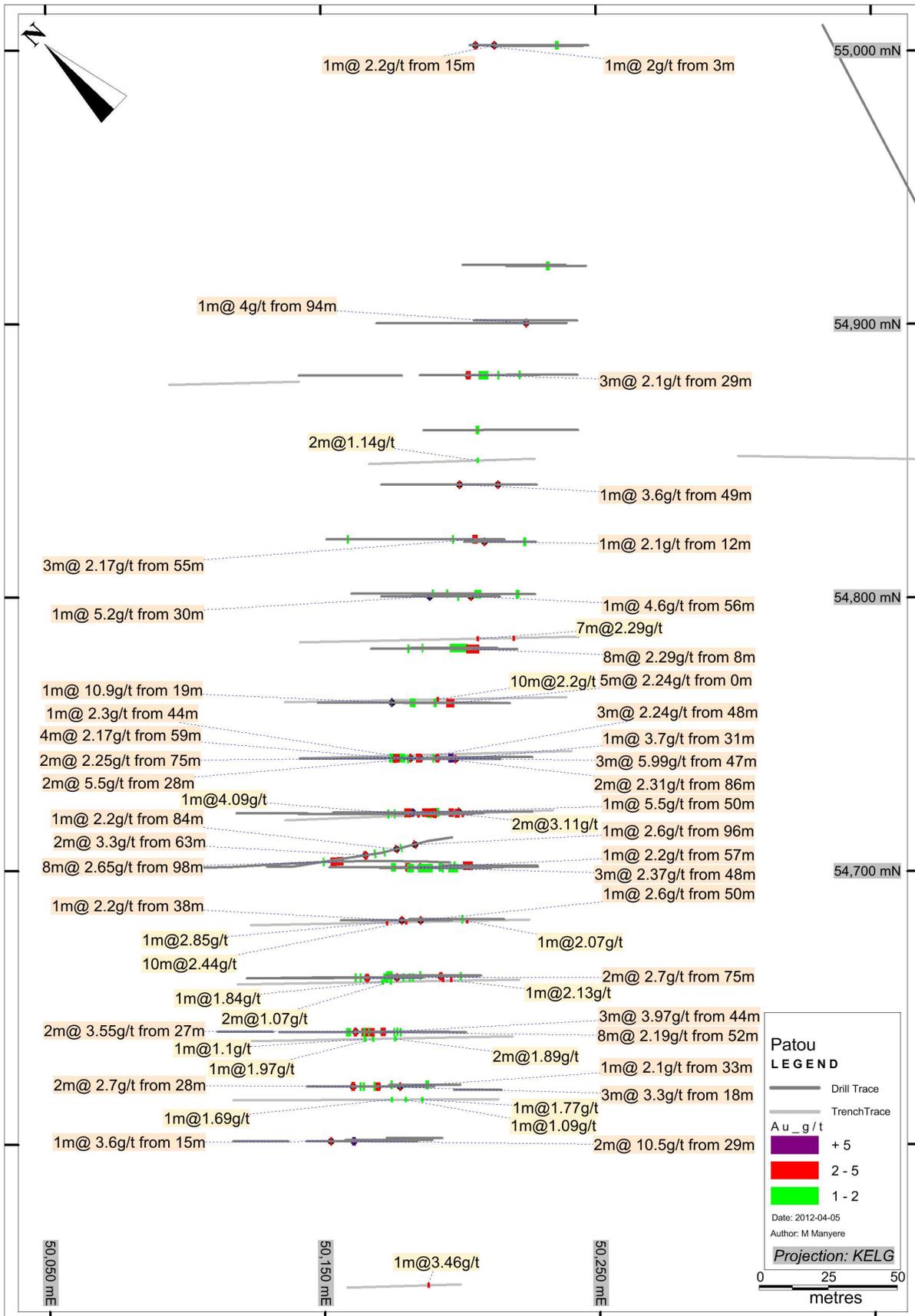


Figure 7 Patuo. historic trenching and drilling results

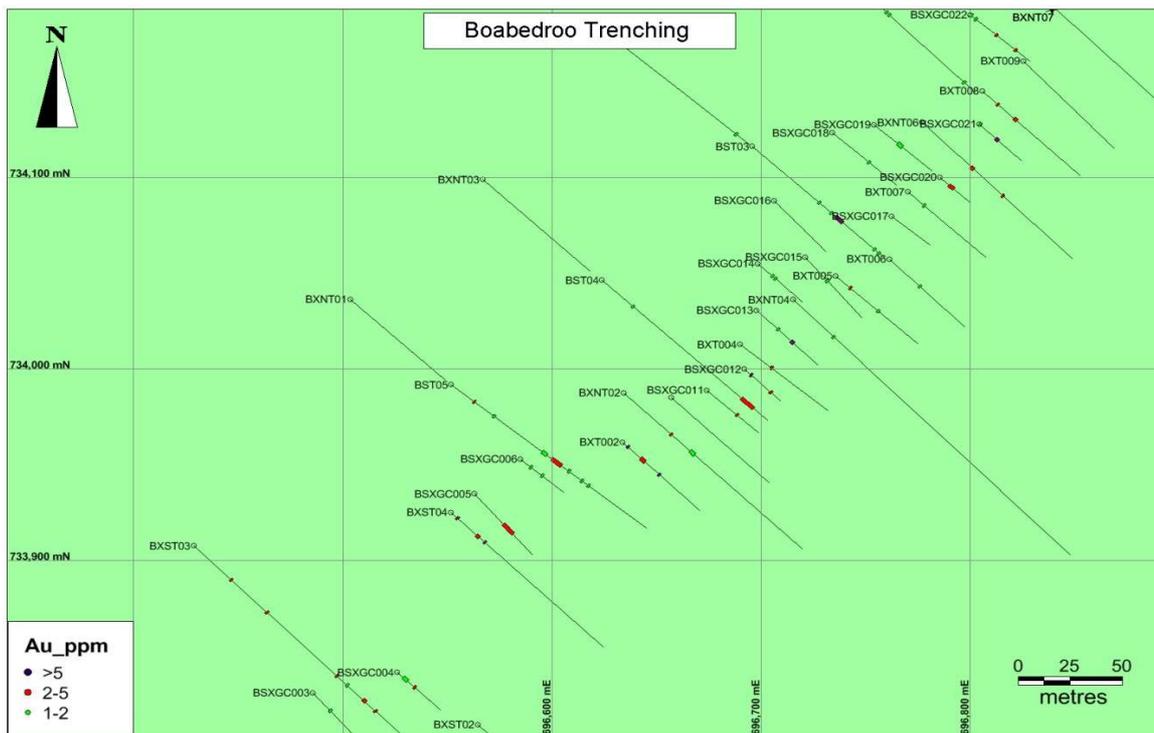


Figure 8 Trenches at Boabedro South Extended. See text for intercept details.

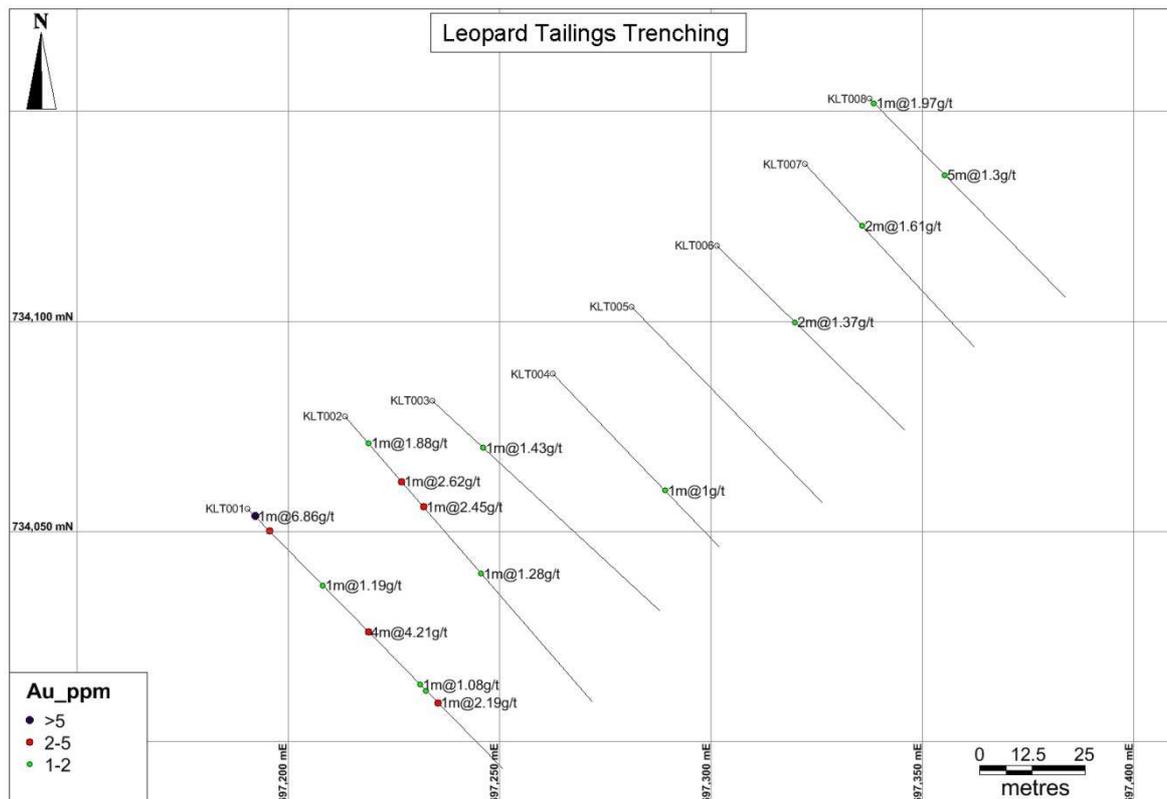


Figure 9 Trench results at Leopard, June Quarter, 2012.

**Table 1. Resources contained within the Konongo Gold Project. Re-estimated resources highlighted in bold.**

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes	Grade (g/t)	Contained Ounces	Tonnes	Grade (g/t)	Contained Ounces	Tonnes	Grade (g/t)	Contained Ounces	Tonnes	Grade (g/t)	Contained Ounces
<b>Obenemase</b>				<b>3,802,500</b>	<b>2.91</b>	<b>355,440</b>	<b>3,073,000</b>	<b>2.00</b>	<b>197,630</b>	<b>6,875,500</b>	<b>2.50</b>	<b>553,070</b>
Asieye							1,500,000	0.80	38,580	1,500,000	0.80	38,580
<b>Kwakawkaw</b>							<b>985,000</b>	<b>1.72</b>	<b>54,575</b>	<b>985,000</b>	<b>1.72</b>	<b>54,575</b>
Nyabo East							540,000	1.03	17,940	540,000	1.03	17,940
<b>Patuo</b>				<b>128,000</b>	<b>1.43</b>	<b>5,905</b>	<b>445,000</b>	<b>1.44</b>	<b>20,660</b>	<b>573,000</b>	<b>1.44</b>	<b>26,565</b>
Kyereben West							124,000	3.10	12,360	124,000	3.10	12,360
<b>Aserewa</b>				<b>324,000</b>	<b>2.42</b>	<b>25,130</b>	<b>136,000</b>	<b>4.66</b>	<b>20,355</b>	<b>460,000</b>	<b>3.10</b>	<b>45,485</b>
<b>Atunsu</b>				<b>99,000</b>	<b>2.01</b>	<b>6,415</b>	<b>659,500</b>	<b>2.61</b>	<b>55,435</b>	<b>758,500</b>	<b>2.54</b>	<b>61,850</b>
<b>Apan</b>				<b>39,000</b>	<b>2.03</b>	<b>2,565</b>	<b>526,000</b>	<b>2.22</b>	<b>37,620</b>	<b>565,000</b>	<b>2.21</b>	<b>40,185</b>
Leopard Shaft							95,000	7.55	23070	95,000	7.55	23,070
<b>Boabedroo</b>				<b>1,359,000</b>	<b>2.36</b>	<b>103,300</b>	<b>2,244,000</b>	<b>2.36</b>	<b>170,490</b>	<b>3,603,000</b>	<b>2.36</b>	<b>273,790</b>
Akyenase Central				58,000	4.00	7,460	96,000	8.80	27,160	154,000	6.99	34,620
Santreso West				3,520,000	1.20	135,805	810,000	1.25	32,555	4,330,000	1.21	168,360
Santreso South							340,000	1.16	12,680	340,000	1.16	12,680
Santreso East							700,000	1.27	28,615	700,000	1.27	28,615
<b>Old Tailings Dam</b>				<b>1,177,000</b>	<b>1.19</b>	<b>45,050</b>	<b>575,000</b>	<b>0.87</b>	<b>16,100</b>	<b>1,752,000</b>	<b>1.09</b>	<b>61,150</b>
<b>Southern Tails</b>							<b>275,000</b>	<b>1.56</b>	<b>13,795</b>	<b>275,000</b>	<b>1.56</b>	<b>13,795</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,506,500</b>	<b>2.03</b>	<b>687,070</b>	<b>13,123,500</b>	<b>1.85</b>	<b>779,620</b>	<b>23,630,000</b>	<b>1.95</b>	<b>1,466,690</b>

*The Mineral Resources presented in this table for the Obenemase, Boabedroo, Aserewa, Atunsu, Apan and Patuo Deposits, as well as for the Old Konongo Tailings Dam is based on information compiled by Mr Peter Ball who is a Member of the Australasian Institute of Mining and Metallurgy and is the Manager of Data Geo. Mr Ball has sufficient experience which is relevant to the style of mineralisation 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 of Exploration Results, Mineral Resources and Ore Reserves'. Mr Ball consents to the inclusion of this table in the report in the form and context in which it appears based on the information presented to him.*

*The Mineral Resources for the Obenemase, Boabedroo, Aserewa, Atunsu, Apan and Patuo Deposits were derived from solid models of mineralised zones defined by geology and Au grade. Au grade was estimated into block models created from these zones using Inverse Distance<sup>2</sup>. Tonnage was assigned by weathering condition (oxide, transition, fresh) using default SG values generated from historical drill core measurements. The Mineral Resources are classified according to geological continuity, grade continuity and geostatistical parameters relating to sample density. The Mineral Resource is reported below the recorded extents of open cut mining at a 1.0g/t cutoff for fresh rock material and a 0.5g/t cutoff for oxide & transition material. Material recorded as being mined by underground methods has also been removed from the Mineral Resource. For tailings material all material is included in the Mineral Resource.*

*Other Mineral Resources presented in this table have been compiled and reviewed by Mr Bill Oliver from publically stated JORC-compliant information originally prepared in 2005 by RSG Global for Mwana Africa's AIM-listing document. This information, in the opinion of Mr Oliver, complies with the reporting standards of the 2004 JORC Code. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation 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 of Exploration Results, Mineral Resources and Ore Reserves'. Mr Oliver is a Director of Signature Metals Limited and consents to the inclusion of this table in the form and context in which it appears based on the information presented to him.*

*The information in this release which relates to Exploration Results is based on information compiled by Mr Bill Oliver. Mr Oliver is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation 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 of Exploration Results, Mineral Resources and Ore Reserves'. Mr Oliver is a Non-Executive Director of Signature Metals Limited and consents to the inclusion in this release of the matters relating to Exploration Results in the form and context in which it appears based on the information presented to him.*

Table 2 Significant RC drilling results, June Quarter, 2012.

Trench ID	Easting	Northing	Total Length	Azimuth/Dip	Intercept			
					from	to	Interval	Grade Au g/t
KWRC 001	698668	736126.235	90	314/60				<i>assays not returned</i>
KWRC 002	698652.4	736141.586	60	312/60				<i>assays not returned</i>
KWRC 007	698935	736475.885	66	173/45				<i>assays not returned</i>
KWRC 008	698934.2	736478.955	75	170/60				<i>assays not returned</i>
KWRC 009	699001.6	736521.722	66	136/45				<i>assays not returned</i>
KWRC 010	699005.9	736518.211	60	139/60				<i>assays not returned</i>
KWRC 011	698777.2	736314.089	60	162/60	6	7	1	1.77
					22	23	1	1.39
					25	30	5	6.41
KWRC 012	698776.3	736315.948	60	161/60	40	41	1	1.03
					43	45	2	1.16
KWRC 013	698756.2	736318.565	102	135/60	41	44	3	1.41
					60	61	1	2.92
					63	64	1	1.51
KWRC 014	699032.3	736554.635	60	138/60				<i>assays not returned</i>
KWRC 015	699038	736548.945	57	142/60				<i>assays not returned</i>
KNRC 003	699362.7	736761.36	60	310/60				<i>assays not returned</i>
KNRC 004	699334.9	736789.246	56	141/60				<i>assays not returned</i>

*All intersections of at least 1m downhole with grade greater than 1.0g/t are reported and may include up to 2 metres internal waste. Samples are analysed by 50g Fire Assay method at internationally accredited laboratories in Ghana. QA/QC samples are inserted regularly by the Company including certified reference samples, blanks and duplicates and intersections are not reported unless results from these samples meet acceptable standards.*

Table 3 Significant trenching results, June Quarter, 2012

Trench ID	Easting	Northing	Total Length	Intercept		Grade Au g/t
				Azimuth	Interval	
BXT002	696633.7	733961.9	51.26	135	1	5.34
BXT002				135	3	4.28
BXT002				135	1	8.38
BXT004	696689.9	734013	54.5	135	1	2.66
BXT005	696735.6	734048.6	52.74	135	1	3.05
BXT005				135	1	1.25
BXT006	696761.4	734057.4	50.32	135	1	1.49
BXT007	696770.3	734092.5	50.47	135	1	1.04
BXT008	696805.7	734145.3	64.47	135	1	2.2
BXT008				135	2	2.64
KKET004	703336.8	740556.2	51	135	2	3.33
KLT001	697190.5	734055.4	86.33	135	1	6.86
KLT001				135	1	2.74
KLT001				135	1	1.19
KLT001				135	4	4.21
KLT001				135	1	1.08
KLT001				135	1	1
KLT001				135	1	2.19
KLT002	697213.4	734077.4	89.75	135	1	1.88
KLT002				135	1	2.62
KLT002				135	1	2.45
KLT002				135	1	1.28
KLT003	697234.1	734081.1	73.3	135	1	1.43
KLT004	697262.5	734087.5	56.85	135	1	1
KLT006	697301.4	734118.1	62.43	135	2	1.37
KLT007	697322.1	734137.4	59.05	135	2	1.61
KLT008	697337.4	734153.1	66.18	135	1	1.97
KLT008				135	5	1.3
KNT003	699047.5	736586.6	57	135	1	1.18

KNT004	699081.5	736634.7	81.84	135	1	3.13
POT035_TR	700141.3	736600.7	94	135	1	3.39
BSXGC003	696482.9	733834.2	28.3	135	1	1.71
BSXGC004	696505.1	733861.4	28.58	135	3	1.64
BSXGC004				135	1	2.68
BSXGC005	696560	733938	41.75	135	7	4.95
BSXGC006	696583.1	733955.2	26.64	135	1	1.18
BSXGC006				135	1	1.05
BSXGC011	696673.9	733989.3	33.42	135	1	3.05
BSXGC012	696689.9	734002.9	23.57	135	1	7.3
BSXGC012				135	1	2.37
BSXGC013	696694.7	734034.2	40.67	135	1	1.14
BSXGC013				135	2	5.08
BSXGC014	696695.5	734058	29.24	135	1	1.04
BSXGC014				135	1	1.47
BSXGC015	696705.9	734088.4	38.09	135	1	1.17
BSXGC018	696734.1	734123.4	41.09	135	1	1.07
BSXGC019	696752.2	734129.4	36.77	135	3	1.25
BSXGC020	696783.9	734101.9	19	135	3	2.1
BSXGC021	696802.9	734129.9	27.77	135	1	1.56
BSXGC021				135	2	7.83
BSXGC022	696798.2	734186.6	37.18	135	1	1.19
BSXGC022				135	1	1.11
BSXGC022				135	1	4.93
BSXGC022				135	1	2.14

*All trench intersections which are at least 1m with grades greater than 1.0g/t are reported and may include up to 2 metres internal waste. Samples are analysed by 50g Fire Assay method at internationally accredited laboratories in Ghana. QA/QC samples are inserted regularly by the Company including certified reference samples, blanks and duplicates and intersections are not reported unless results from these samples meet acceptable standards.*