

ACTIVITIES REPORT FOR THE SEPTEMBER QUARTER 2012

PARKER RANGE GOLD PROJECT

Parker Range Gold Project, WA

(M77/657, M77/762-763 - Gondwana 100%, M77/893 – Gondwana 70%)

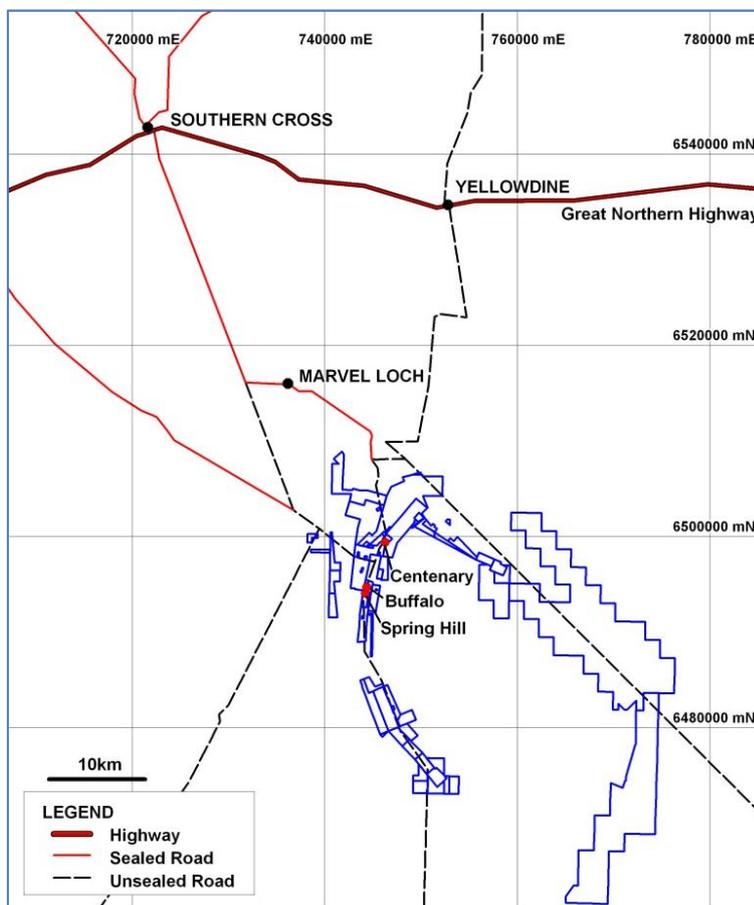


Figure 1:
Centenary, Buffalo & Spring Hill gold deposits

The Parker Range Gold Project is located in the Southern Cross Greenstone Belt 22km south of St Barbara's Marvel Loch Gold Operations along the Marvel Loch-Forrestania Road (see figure at left). The Southern Cross area is a well-recognised regional mining centre offering excellent established infrastructure and a long gold mining tradition.

At Parker Range, the Company's gold exploration focus during the last three years has been to transform two historic gold deposits at Buffalo and Spring Hill (70% Gondwana) into two JORC compliant gold resources and to explore nearby historic gold prospects with the aim of increasing total resources.

In mid-2010, the exploration team discovered 40,300oz of gold at the Centenary gold project (100% Gondwana), 5km north of Buffalo. The Parker Range Gold Project is now estimated to contain a total 91,450 oz Au Mineral Resource. Refer to the table in the Appendix.

During the September 2012 quarter, the Company has continued with mining studies for the Parker Range Gold Project. Following the completion of a pit shell optimization study for each of the Centenary, Buffalo and Spring Hill gold deposits, with positive results for all three pits, Minecomp Pty Ltd have generated a pit design for each of the three deposits, life-of-mine schedules and cash flow estimates and JORC Ore Reserve Estimates.

Work continued during the quarter on mining studies aimed at a potential commencement of mining in early 2013:

- Engagement of Mining Project Manager
- Engagement of environmental consultants
- Commencement of the process for environmental and mining approvals
- Refining pit design
- Preliminary site layout design
- Mining contractor negotiations
- Toll treatment options
- Water and power options
- Service providers, accommodation, messing, IT, communications and mining supplies

The Company has diamond drilled the Buffalo deposit and IMO and Ammtec performed metallurgical test work on the core. Whilst it is the Company's present intention to toll treat the ore, IMO's report confirmed that the ore is amenable to heap leach recovery.

A geotechnical assessment for Buffalo has also been completed by Peter O'Bryan and Associates based on the Buffalo diamond drill core.

As the host geology is identical all three deposits, the Buffalo drill core geotechnical data has been used for the purpose of pit shell optimisations. Ore Reserve estimates for all three deposits prepared by MineComp Pty Ltd, as set out in the table below.

Parker Range Gold Project Ore Reserve

The company is pleased to announce a total JORC Ore Reserve estimate for Parker Range Gold Project of 778,000t @ 2.2g/t gold for 55,600 oz.

Table 1: Parker Range Gold Project Ore Reserve Estimate

	Reserve Classification	Mining Reserves	Mined Ounces
Centenary	Probable	339,000t @ 2.3g/t	25,500
Buffalo	Probable	238,000t @ 2.2g/t	17,000
Spring Hill	Probable	201,000t @ 1.9g/t	12,100
Total		778,000t @ 2.2g/t	55,600

Note: Gold price of A\$1,500 per ounce has been assumed. Refer to the Appendix for the detailed notes accompanying the Ore Reserve Estimate.

EAST PILBARA PROJECT

Sale of tenements

Corunna Downs and associated tenements

E45/2585, E45/3320-4, E45/3579, E46/1803

The Company announced on 12 October 2012 that it has entered into a new Option to Purchase Agreement (**Option**) with Atlas Iron Limited (ASX:AGO) in respect of Gondwana's 90% interest in the Corunna Downs and adjacent tenements located in the East Pilbara, WA. This Option replaces the letter agreement entered into with Atlas in respect of the Corunna Downs and adjacent tenements previously announced on 16 November 2011.

The principal terms of the Option are as follows:

- Option expires on 10 October 2013;
- Total consideration of \$2.1 million in cash, paid in three tranches (\$350,000 previously received, \$350,000 due on or before 18 October 2012 and \$1,400,000 payable on exercise of the option and transfer of the tenements to Atlas);
- Gondwana to retain a royalty of \$1.13 per tonne for all iron ore sold, and Atlas no longer has the right to buy back the royalty;
- Gondwana to retain a royalty of 1.5% of the gross proceeds of sale of other minerals, and Atlas no longer has the right to buy back the royalty;
- Gondwana to receive a fee of \$0.20 per tonne in excess of 2 billion tonnes of independently verified JORC compliant iron ore reserves in respect of the tenements as published by Atlas immediately prior to Atlas making a decision to commence first commercial mining on the tenements; and
- Atlas to assume obligations to Adelaide Prospecting Pty Ltd in respect of Adelaide's free-carried 10% interest in certain of the tenements.

As stated in the Company's announcement on 16 November 2011 when Atlas was originally granted an option over the Corunna Downs and adjacent tenements, the Company has recognized that it does not possess the financial resources to develop these iron ore prospects alone and their potential could realistically be developed only by a miner such as Atlas with established deposits and operations in the region.

Trigg Hill E45/3437

At the same time, the Company announced that it has entered into an agreement with Atlas to sell its 90% interest in exploration licence E45/3437, referred to as the Trigg Hill Prospect located in the Pilbara, Western Australia for \$1.3 million in cash. The Trigg Hill Prospect formed part of Gondwana's East Pilbara Project and has previously been explored by the Company for rare earths and other minerals.

Copper/Molybdenum/Nickel

(E45/3326 – 90%)

Cyclops Nickel Project

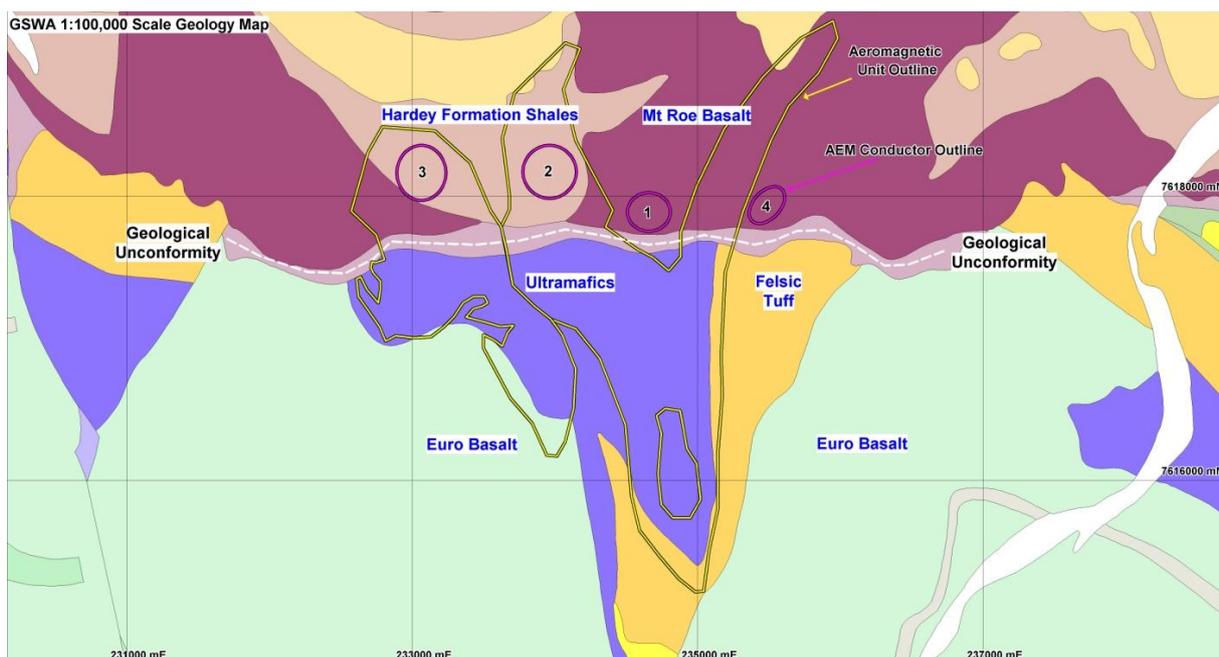


Figure 2:
VTEM B-Field Channel 30 conductors (red outlines) are located under basalt and shales

A 100m line spaced airborne electromagnetic (AEM) survey using the VTEM helicopter system was flown over E45/3326 for the Company during September 2011. The AEM survey was performed to detect conductors which are potentially related to base metals sulphide mineralisation. Four AEM conductors are scheduled for ground geological follow-up and sampling during the next quarter.

A field reconnaissance program is planned for the Cyclops Prospect on this tenement in the current quarter. Plate models will be created and 3D drill design will aim to target the strongest zones identified.

The four conductors of primary interest are located beneath outcropping Mt Roe Basalt and Hardey Formation shales. The AEM targets are shown in figure 2 on the 1:100,000 scale geology mapping of the area. An east to west trending geological unconformity clearly separates the northern flood basalts and interflow sediments from the underlying basement ultramafics, identified with a white dashed line.

The aeromagnetic interpretation has been derived from the aeromagnetic second vertical derivative image shown in figure 3.

The aeromagnetic signature of the outcropping ultramafics rocks south of the geological unconformity is strongly magnetic. The magnetic ultramafic complex plunges to the north under the non-magnetic basalt, highlighted with yellow magnetic outlines showing the magnetic units.

The ultramafics units appear to lose magnetic signal strength as the magnetic unit plunges northwards due to the thickness of the non-magnetic cover increasing. The ultramafic magnetic units plunge to the north underneath the Hardey Formation and Mt Roe basalts, with the four target conductors appearing isolated but related to the magnetic zones as they do not trend away from the ultramafics.

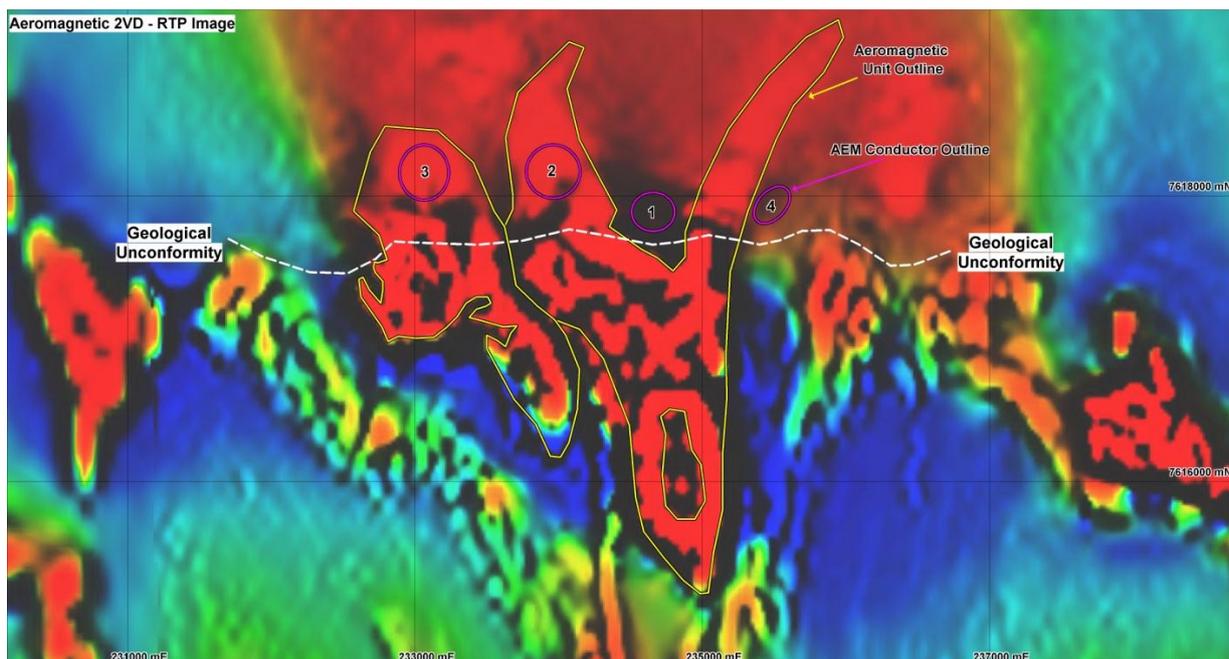


Figure 3:

VTEM conductors (red outlines) are coincident or adjoining magnetic units (yellow outlines)

The central conductor (conductor number 1) appears to be the strongest conductor and continues into the late time channels on the AEM system, meaning it is deep. Importantly, conductor 1 is located within the central fold hinge of the down plunging ultramafics unit and is well represented in figure 4.

This map shows a fusion of geophysical data, being the AEM mid-channel 30 data gridded (colour) and the RTP aeromagnetic second vertical derivative (greyscale) image.

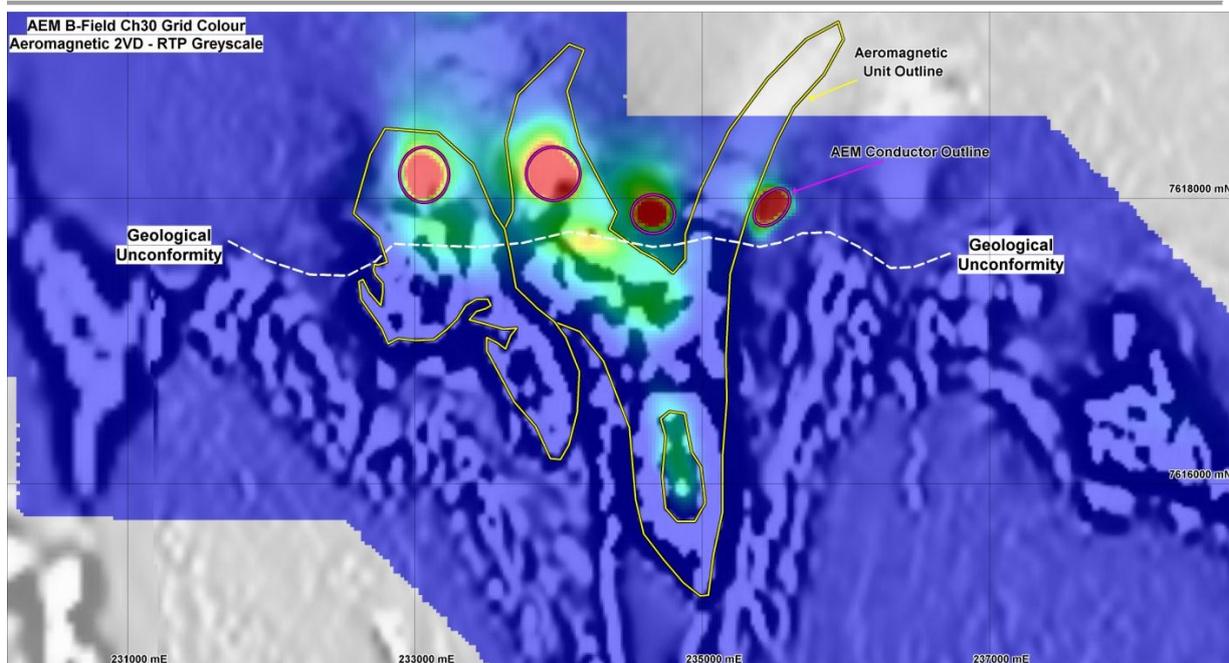


Figure 4:

VTEM conductors (red outlines) are located down plunge from the outcropping ultramafics

After field inspection of these targets, the Company plans to plate model the AEM conductors and then plans to design 3D drill holes and obtain relevant clearance permits to intersect conductors in a drill program to follow the wet season in 2013.

Gobbo's Copper-Molybdenum Prospect

The easternmost exploration tenement E45/3326 contains the Gobbo's project with Copper and Molybdenum mineralisation being discovered in diamond drilling (from 1980). Copper-Molybdenum mineralisation found in the creek bed will be mapped and sampled in detail, with an RC drill program to be formulated to drill test the demagnetised zone outlined from the detailed aeromagnetic survey previously completed by the Company.

URANIUM PROJECT

Uranium

Gondwana Resources Limited holds a number of exploration licences in the Gascoyne/Ashburton region of Western Australia which have been selected for uranium exploration using regional airborne radiometric surveys and the Mindex database of uranium occurrences. An intensive exploration program is planned for the current quarter to include drilling, geochemistry and geophysics.

Red Rock Bore (E08/1968, 2049)-Horse Well (E08/1966)-Mt Padbury (E08/1967)-Horse Well South (ELA08/2410)

These five tenements have been combined into a contiguous block covering 441km² (see Figure 5 below). The most prospective is Red Rock Bore where airborne radiometric anomalies are associated with a uraniferous granite at or adjacent to a Lower Proterozoic unconformity. Two sampling campaigns confirm surficial uranium anomalism attributed to supergene enrichment.

This anomalism will be assessed by a 1,000m reverse circulation drilling programme as soon as the radiation management plan and POW have been completed. A heritage survey over the proposed drill sites has already been completed.

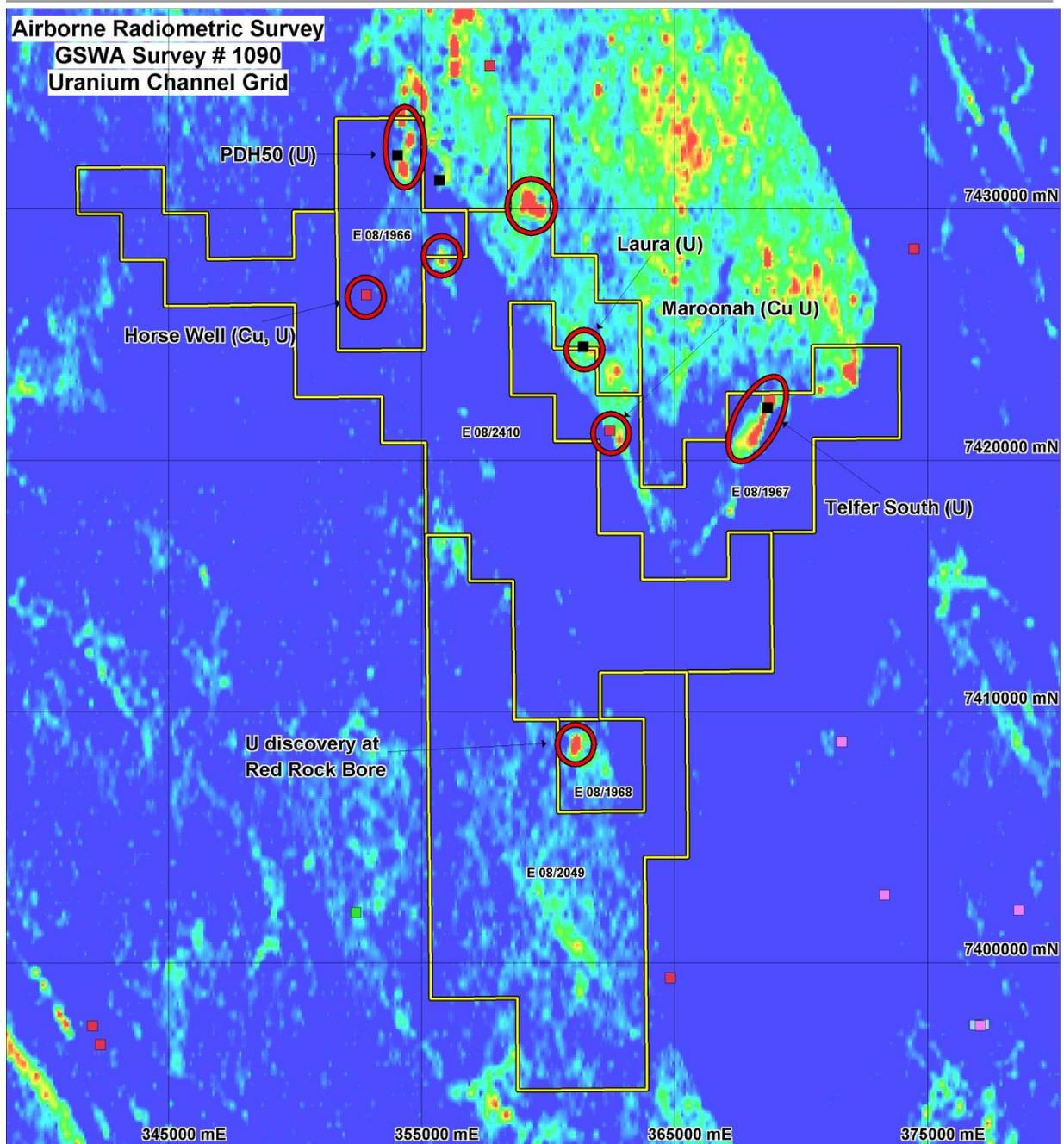


Figure 5: Prospects identified by airborne radiometric survey circled in red

Red Rock Bore Discovery

The Red Rock Bore exploration licence is located on Maroonah station, 320 kilometres south of the port of Dampier. The principal feature of Red Rock is an inselberg or exfoliating granite dome that stands 35 metres above the surrounding sand plain (*Figure 6*).

Three uranium-biased airborne radiometric anomalies were identified within the GSWA 400m line spaced radiometric data. A strong airborne radiometric anomaly (*Figure 7*) is coincident with Red Rock which extends approximately 900 metres by 500 metres in area.

Field investigations were carried out by the Company's uranium-specialist geologist, Syd Morete, and included footborne scintillometry and rock chip sampling. The strongest ground radiometric anomaly was located on top of the rock.



Figure 6: Red Rock, a granite inselberg, contains surface rock chip assays up to 946ppm Uranium

Four samples were collected and submitted to Genalysis Laboratory Services for assay using a 4-acid digest and analysis via ICPMS for uranium and certain other elements. Rock chip sample 09RRRK003 returned **946ppm uranium and 15ppm thorium (U:Th=63)**, located at 361153mE-7408776mN (MGA Zone 50). This result suggests the presence of uraninite. No secondary uranium minerals were observed. Three other rock chips within the radiometric anomaly returned less than 37ppm uranium.

Geological exposures on Red Rock show shadowy ghost-like features indicating granitisation of a previous sedimentary regime. Mapping by GSWA indicates Red Rock (sample 169092 at 361240mE-7409000mN) as being a medium and even-grained biotite-muscovite monzogranite (Nelson, 2004).

The Company has since completed a low level detailed airborne radiometric survey at 20m height and 20m line spacing, carried out by UTS Aeroquest.

The survey was designed to map the area of surface radiometric response and has located an extensive uranium channel anomaly where expected around the 946ppm U geochemical anomaly discovered in August 2009. In addition, a new and stronger uranium channel anomaly has been identified 550m to the north east (*figure 7*).

The uranium channel has been processed and ground stripping calibrations have been applied. Planned follow-up ground work will ascertain whether the rock chip represents a small enriched zone near the surface or is representative of the fresh rock in the whole of the inselberg shown in the photograph above in figure 6.

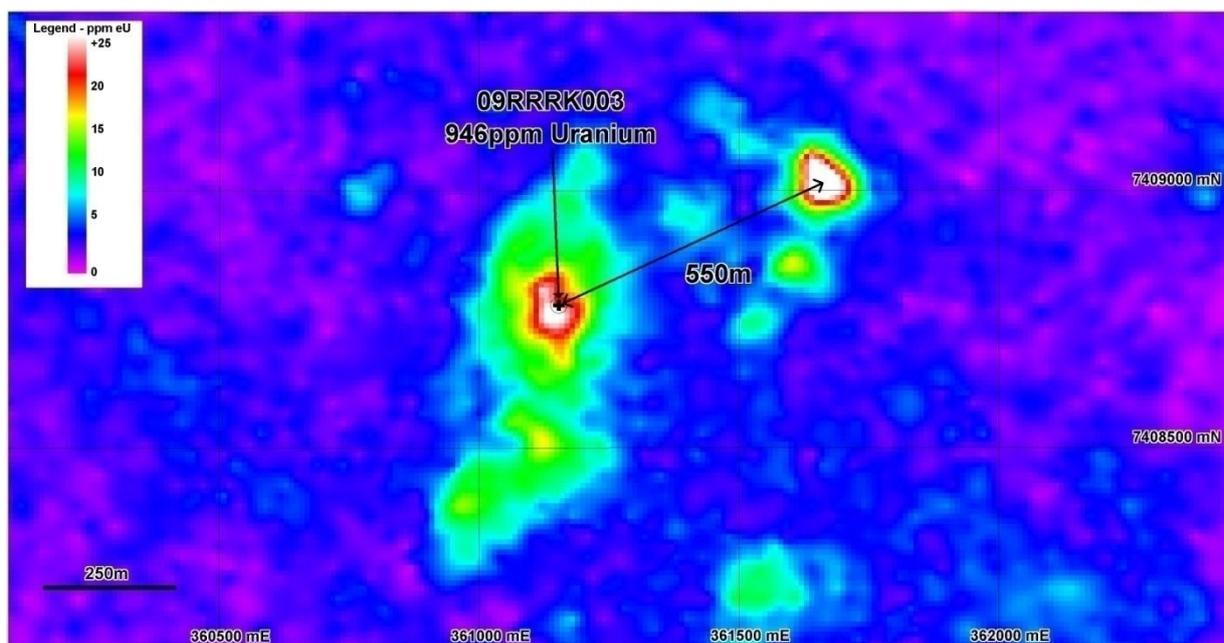


Figure 7:

Detailed radiometric survey uranium channel image showing location of 946ppm U rock chip at the peak of the radiometric anomaly

Ted Well & Mick Well (E09/1614-1615)

These two tenements cover ground prospective for uranium and specialty metals such as tungsten. A reconnaissance trip has been made to the area which is characterized by poor access. The Company is now undertaking a detailed airborne geophysical survey which is expected to identify various targets associated with the elements described above.

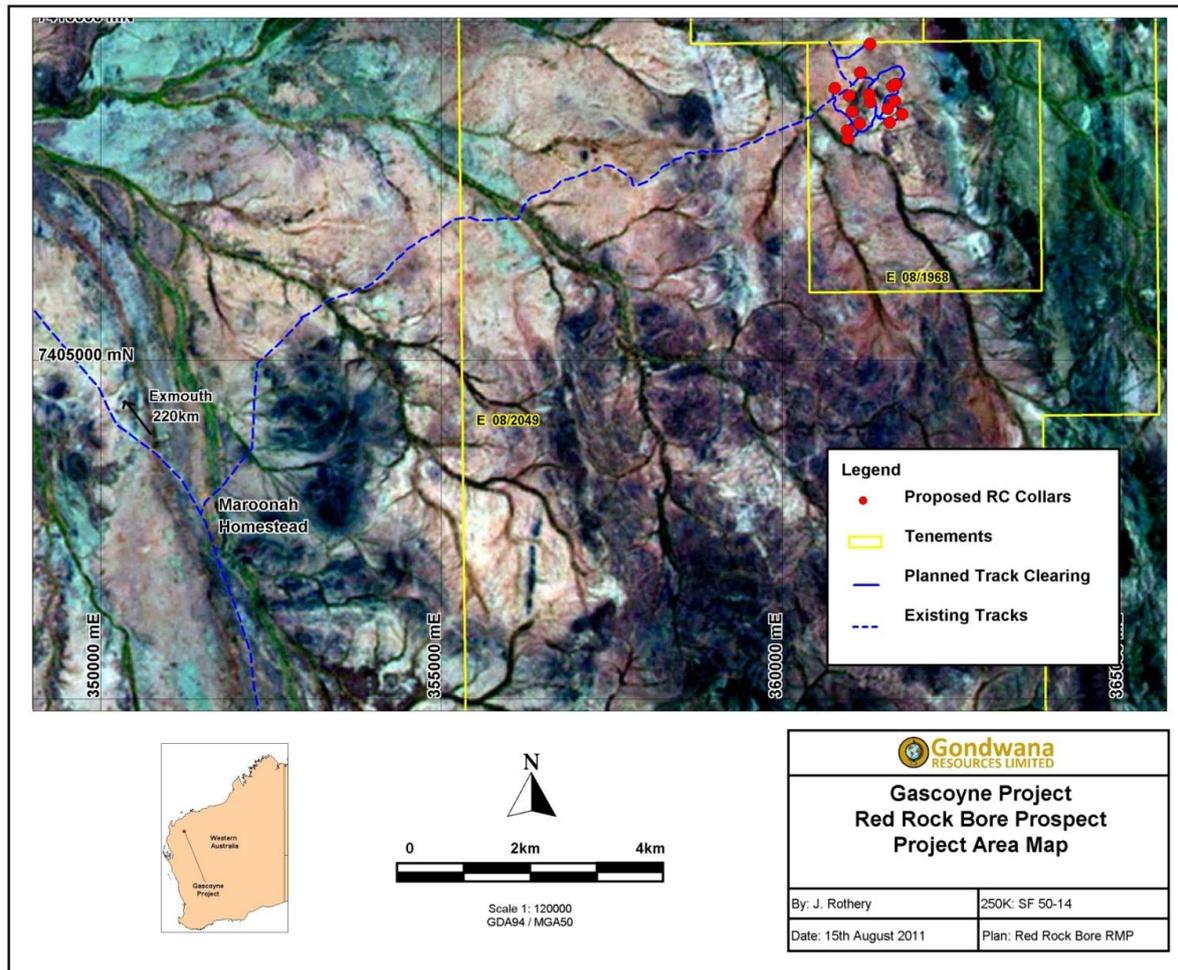


Figure 8: Red Rock Bore Project area, map showing Maroonah Homestead, Red Rock Bore tenements E08/1968 and E08/2049. Access Tracks both existing and planned are also shown.

Corporate

The Company's strategy for 2013 is broadly summarised as follows:

- Reduce the number of exploration tenements held in the Parker Range, Gascoyne, Ashburton and Pilbara regions of Western Australia
- Focus on a small number of superior exploration targets
- Farm-out expenditure commitments where possible, retaining carried interests and/or royalties
- Subject to feasibility, commence production at the Parker Range Gold Project, introducing partners to share/minimize risk
- Complete fund raising exercises including a pro rata entitlement issue immediately following the consolidation of share capital, if approved by shareholders
- Utilise the funds raised from share issues and tenement sales to meet capital expenditure for the Parker Range Gold Project and identify new, potential "company-maker" mineral projects for investment

A general meeting of shareholders will be held on 28 November 2012 to consider and, if thought fit, a resolution to consolidate the Company's share capital. Shareholders are urged to support this important proposal as it will significantly assist the proposed capital raising to follow and the accomplishment of the Company's objectives set out above.

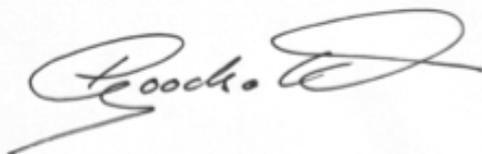
The Company is pleased to advise the strengthening of the Gondwana team with the appointment of Mr Jolyon (Jol) Sinclair as a new Independent Non-Executive Director and Mr Daniel Hewitt as Chief Executive Officer (with effect from 12 November 2012).

Jol Sinclair (Independent Non-Executive Director) has over 15 years' experience in asset finance, venture capital and business development. He has held national roles with publicly-listed IT companies and has experience in occupational health and safety, building compliance and project management. In 2004, Jol created a venture capital and asset finance company that specialises in the mining and telecommunications industries, and he remains a shareholder of that company. Currently, Jol is Executive Director of a national construction group that provides the internal fit-out for corporate offices, medical centres and franchise groups.

Dan Hewitt (CEO) is a highly qualified and experienced corporate executive with approximately 10 years in senior management roles in small to mid-cap ASX listed entities. Most recently, he was the Acting CEO and Company Secretary for ASX listed Naracoota Resources which was exploring for gold in Western Australia. Dan has a Bachelor of Commerce (Accounting and Finance) from UWA, and a Bachelor of Laws (Hons) from Bond University. He is admitted as a Barrister and Solicitor of the Supreme Courts of Victoria and Western Australia. Dan also has a post graduate Diploma in Applied Finance and Investment from FINSIA and is a Fellow of the same organisation.

Contact

For further information phone Grant Donnes or Alana Da Silva on (08) 9388 9961, email info@gondwanaresources.com or visit the Company's website at www.gondwanaresources.com



Paul Goodsall
Director/Company Secretary
31 October 2012

Competent Persons Statement – Ore Reserves

The open pit mining reserves have been compiled by Mr Gary McCrae, a full time employee of Minecomp Pty Ltd (MAIMM). Gary McCrae has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being reported on to qualify as a Competent Person as defined in the Code for Reporting of Mineral Resources and Ore Reserves (2004). Gary McCrae consents to the inclusion in this report of the matters in the form and context in which it appears.

Competent Person Statements - Exploration

The technical information in this report that relates to Exploration Results is based on information compiled by Mr Grant Donnes who is a Member of the Australian Institute of Geoscientists. Mr Donnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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 Donnes consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears.

APPENDIX

Buffalo, Spring Hill and Centenary JORC Mineral Resource Estimate (≥ 1.0 g/t)

Resource Category	Tonnes	Grade (g/t)	Cut ounces* (Au)
Buffalo			
Indicated	292,200	2.4	22,200
Inferred	62,800	1.6	3,200
Buffalo total	355,000	2.2	25,400
Spring Hill			
Indicated	226,400	2.0	14,250
Inferred	180,300	2.0	11,500
Spring Hill total	406,700	2.0	25,750
Centenary			
Indicated	391,000	2.4	30,400
Inferred	166,000	1.8	9,900
Centenary total	557,000	2.2	40,300
Total Project			
Indicated	909,600	2.3	66,850
Inferred	409,100	1.8	24,600
Project grand total	1,318,700	2.1	91,450

*Resource reported at a 1.00 g/t Au lower cut and variable top cuts
1kg screen fire assay results were used for estimation of high grade zones where possible
Assay results are primarily from RC drilling with diamond holes as required
Specific Gravity density values were derived from the Centenary and Buffalo diamond drill core measurements

Notes accompanying JORC Ore Reserve Estimate

Minecomp Pty Ltd was engaged by Gondwana Resources Limited to undertake an estimation of open pit gold Reserves at the Centenary, Buffalo and Spring Hill resources, in accordance with The 2004 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code).

The Ore Reserve is that part of the Mineral Resource which can be economically mined by open pit mining methods. Dilution of the Mineral Resource and an allowance for ore loss was included in the Ore Reserve estimate. All of the Indicated Mineral Resource has been classified as Probable Reserves after consideration of mining, metallurgical, social, environmental and financial aspects of the Parker Range Project.

The open pit Probable Reserve for the Parker Range deposits is based on applying economic mining parameters that reflect current operating costs, gold price and recovery parameters to the current resource estimates. Operational costs are derived from contractor costs, calculated operational costs and peer equivalent costs.

The open cut pit wall angles used in the Centenary and Spring Hill deposit pit designs are extracted directly from the Buffalo deposit geotechnical and density information. The Buffalo geotechnical drilling has been utilised for all three deposits because the geology along strike between the deposits is identical.

The total project life is estimated to be 18 months.

Centenary Probable Reserve

The open pit Probable Reserve for the Centenary deposit (*see table below*) is based upon applying economic mining parameters that reflect current operating costs, gold price and recovery parameters to the September 2011 resource estimate of the deposit. Operational costs are derived from contractor costs, calculated operation costs and peer equivalent costs.

Centenary	Reserve Classification	Mining Reserves	Mined Ounces
	Probable	339,000t @ 2.3g/t	25,500

The Centenary deposit is 100% owned by Gondwana Resources Limited. The proposed Centenary open pit design exploits the BIF hosted mineralisation over a strike length of 250m to a depth of approximately 85 metres. The total volume mined is 1.7M cubic metres of ore and waste with the stripping ratio estimated to be 13.3:1. Operating cash costs are estimated to be A\$1,093/oz. It is proposed to mine the Centenary pit over a period of 8 months.

Buffalo Probable Reserve

The open pit Probable Reserve for the Buffalo deposit (*see table below*) is based upon applying economic mining parameters that reflect current operating costs, gold price and recovery parameters to the February 2010 resource estimate of the deposit. Operational costs are derived from contractor costs, calculated operation costs and peer equivalent costs.

Buffalo	Reserve Classification	Mining Reserves	Mined Ounces
	Probable	238,000t @ 2.2g/t	17,000

The Buffalo deposit is 70% owned by Gondwana Resources Limited (30% Kings Minerals – ASX:KMN). The proposed Buffalo open pit design exploits the BIF hosted deposit over a strike length of 250m to a depth of approximately 80 metres. The total volume mined is 1.1M cubic metres of ore and waste with the stripping ratio estimated to be 12.2:1. Operating cash costs are estimated to be A\$1,018/oz. It is proposed to mine the Buffalo pit over a period of 7 months, initially in conjunction with the Spring Hill pit.

Spring Hill Probable Reserve

The open pit Probable Reserve for the Spring Hill deposit (*see table below*) is based upon applying economic mining parameters that reflect current operating costs, gold price and recovery parameters to the January 2010 resource estimate of the deposit. Operational costs are derived from contractor costs, calculated operation costs and peer equivalent costs.

Spring Hill	Reserve Classification	Mining Reserves	Mined Ounces
	Probable	201,000t @ 1.9g/t	12,100

The Spring Hill deposit is 70% owned by Gondwana Resources Limited (30% Kings Minerals – ASX:KMN). The proposed Spring Hill open pit design exploits the BIF hosted deposit over a strike length of 250m to a depth of approximately 60 metres. The total volume mined is 0.9M cubic metres of ore and waste with the stripping ratio estimated to be 11.6:1. Operating cash costs are estimated to be A\$1,194/oz. It is proposed to mine the Spring Hill pit over a period of 7 months, initially in conjunction with the Buffalo pit.

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

GONDWANA RESOURCES LIMITED

ABN

72 008 915 311

Quarter ended ("current quarter")

30 September 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A '000	Year to date (9 months) \$A '000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(55)	(348)
(b) development	-	-
(c) production	-	-
(d) administration	(113)	(252)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	3
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	(167)	(597)
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) - Deposits recovered	70	70
Net investing cash flows	70	70
1.13 Total operating and investing cash flows (carried forward)	(97)	(527)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(97)	(527)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1	152
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	115	467
1.17	Repayment of borrowings	(20)	(95)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	96	524
	Net increase (decrease) in cash held	(1)	(3)
1.20	Cash at beginning of quarter/year to date	34	36
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	33	33

Note: Since the end of the quarter, proceeds from the sale of tenements have increased the Cash available to the Company and, as at the date of this Appendix 5B, the Company held cash at bank of \$1,394,953.

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	24
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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

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

+ 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	50,000
4.2 Development	-
4.3 Production	-
4.4 Administration	60,000
Total*	110,000

Note: Expenditure may increase depending on capital raising referred to in the Activities Report.

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	33	34
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	33	34

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	E77/1362) Iron ore rights granted	100%	100%
	E77/1734)		
	M77/671)		
	M77/765) Tenements sold	100%	Nil
	M77/766)		
	P77/3682)		
	P77/3691) Tenements surrendered	100%	Nil
6.2 Interests in mining tenements acquired or increased	P77/3697)		
	E08/2410	Application	Nil	100%

+ 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>	nil			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	1,225,168,356	1,222,668,356		Fully paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	175,000,000 -	175,000,000 -		
7.5	+Convertible debt securities <i>(description)</i>	nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	380,980,870 420,000,000	380,980,870 -	Exercise price 1¢ Exercise price 0.1¢	Expiry 30/6/13 Expiry 30/6/14
7.8	Issued during quarter	175,000,000	-	Exercise price 0.1¢	Expiry 30/6/14
7.9	Exercised during quarter	(5,400)	(5,400)	Exercise price 1¢	Expiry 30/6/13
7.10	Expired during quarter	-	-	-	
7.11	Debentures <i>(totals only)</i>	nil	-	-	
7.12	Unsecured notes <i>(totals only)</i>	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 (see note 4).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 31 October 2012
(Director)

Print name: Paul Goodsall

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 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.

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+ See chapter 19 for defined terms.