

Quarterly Activities Report

– For Immediate Release –

HIGHLIGHTS

- **Ground EM confirms discrete conductor beneath nickel soil anomaly at the Kendenup prospect (Fraser Range South)**
- **Extensive airborne EM survey to commence – Fraser Range North**

During the quarter ending 30 June 2014 Windward Resources Limited (**Company**) continued exploration on both the Fraser Range South (**FRS**) and Fraser Range North (**FRN**) Projects. **Figure: 1** below details the location of the Company's Fraser Range Project Tenements.

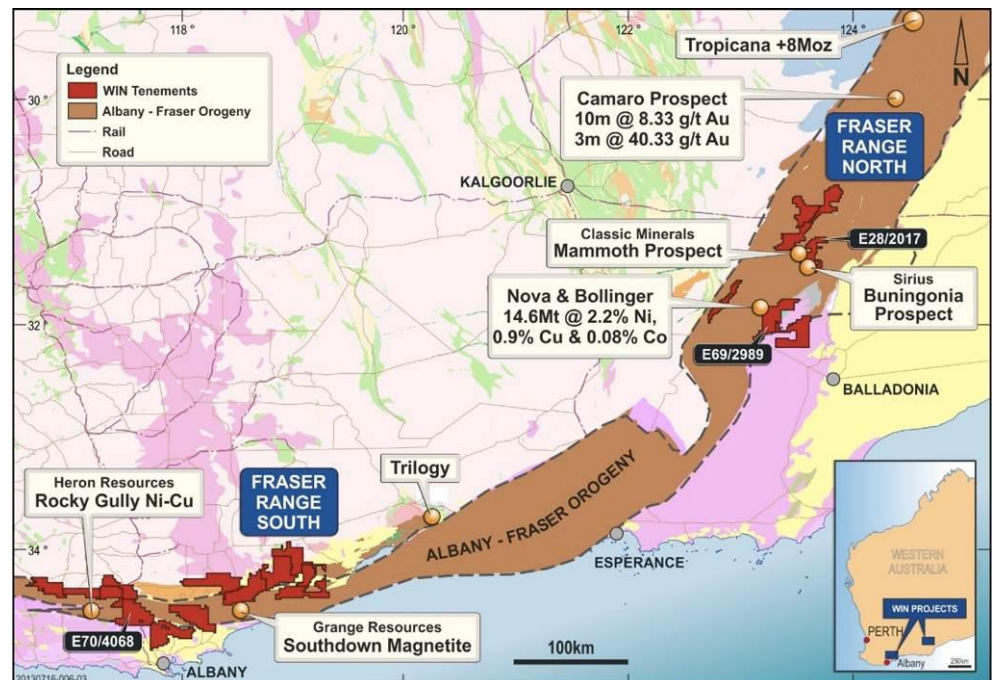


Figure 1: Windward Project Locations – Fraser Range South and North.

CORPORATE DIRECTORY

Non Executive Chairman
George Cameron-Dow

Managing Director & CEO
David J Frances

Non-Executive Directors
Stephen Lowe
Bronwyn Barnes

Company Secretary
Stephen Brockhurst

FAST FACTS

Issued Capital: 88m
Options Issued: 4.08m
Debt: Nil
Cash: \$ 5.9m
Market Cap: \$ 23.7m

CONTACT DETAILS

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FRASER RANGE SOUTH PROJECT (FRS)

The Fraser Range South Project comprises 14 tenements covering a total of 5,615 km², located in the Great Southern and South West of Western Australia. The project tenements extend from Lake Muir in the west to Jerramungup in the east, a distance of approximately 250 km. The project tenements cover the western and southern extensions of the Albany-Fraser Orogen and the South West Yilgarn Craton.

During the quarter first-pass roadside geochemical sampling at the FRS project was completed – **Figure: 2**. Samples were collected approximately every 500m along accessible roads and tracks and submitted for multi-element analysis. A number of base and precious metals targets have been identified for follow up sampling and further investigation. This work is currently underway and is expected to be completed by the end of July.

Once all assays from sampling have been interpreted, the targets will be prioritised and further infill and extension sampling (with the consent of the landholders) will be undertaken within the coming quarter.

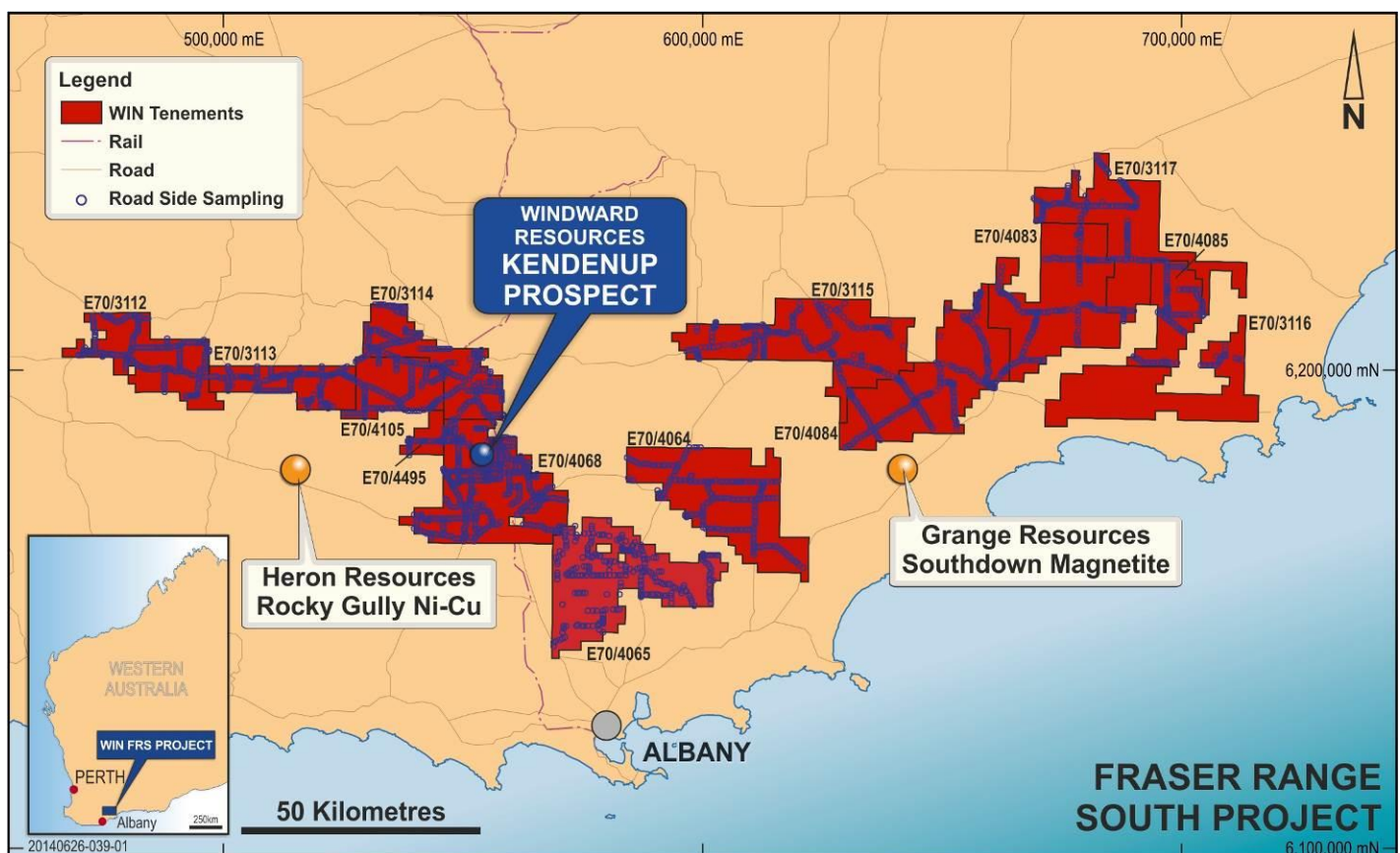


Figure 2: Fraser Range South project tenements showing roadside sampling coverage.

Kendenup Nickel Target

A ground Fixed Loop EM (FLEM) survey was completed over the Kendenup prospect to confirm the existing airborne EM anomaly – **Figure: 3**. This survey consisted of a single fixed loop 600m x 475m with N-S lines being read every 100m using the Smartem V system. The HeliTEM conductor location was confirmed and the FLEM data have been modelled as a plate conductor with a depth to top of 50m, a strike of 250m, and a dip extent of 400m. Conductivities were at levels expected from either weathered massive sulphides or fresh disseminated sulphides. The conductor was still open to the west in the FLEM survey with the HeliTEM survey indicating a further 200m westward extension giving an overall strike of 400m. The conductor continues dipping to the south-west, beyond the depth capabilities of the FLEM survey.

The Kendenup prospect was identified as a high-priority target from the HeliTEM survey flown over the area. Follow-up soil geochemistry, over the discrete late-channel EM conductor, produced a coherent 20-times background nickel anomaly. Diamond drill testing of the conductor is planned to be undertaken during August.

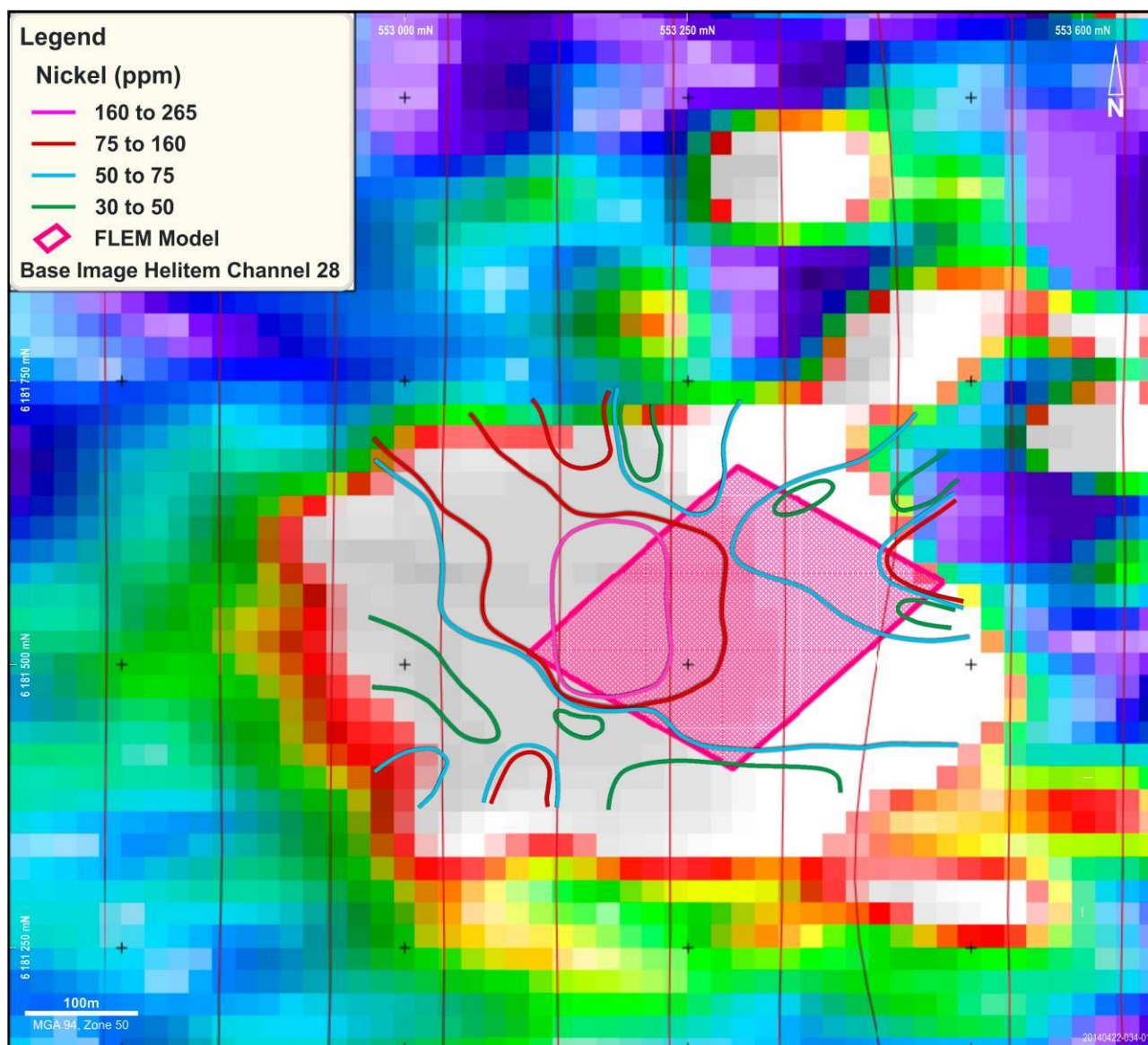


Figure 3: FRS E70/4068 Kendenup prospect, nickel soil contours on FLEM model over HeliTEM channel 28 conductor image.

FRASER RANGE NORTH PROJECT (FRN)

The Fraser Range North Project comprises 8 tenements covering a total of 2,790 km², located in the Fraser Range of Western Australia. The tenements extend approximately 180 km from Zanthus in the north to Fraser Range Station in the south. The tenements are located in the Albany – Fraser Orogen consisting of a number of paleo-Proterozoic high grade and structural domains that parallel the NE trending margin of the Yilgarn Craton.

At the Fraser Range North (FRN) project exploration was continued during the quarter with a number of programs being completed. These are discussed in more detail below and included surface geochemistry, aircore drilling, a ground EM survey, and conceptual targeting.

Work comprised broad spaced (800m x 400m and 400m x 400m) surface geochemical sampling over a number of new target areas identified from the detailed magnetics flown by the Company in late 2013 – **Figure: 4**. The Western Margin prospect (FRN) – E69/2989, is located approximately 2km east of the Nova Ni/Cu deposit (Sirius Resources). Broad spaced (400m x 400m) surface soil sampling has returned an anomalous nickel and copper trend extending for 4 kilometres in a NE direction at a threshold of +50ppm Ni and +30ppm Cu. This area has no outcrop and is interpreted to be covered largely by residual soils. Infill sampling is planned for the September quarter. Several other areas on E69/2989 and E28/2017 (FRN) were covered by first-pass surface geochemical sampling and require infill.

Drilling

Wide-spaced aircore drilling has been completed over three target areas within the E69/2989 - “Win-Eye” tenement along with some regional stratigraphic drilling (Figure: 4). Target areas were identified from detailed aeromagnetics undertaken by the Company in 2013. The northern target is a large (+5 km) “eye feature” and was drilled to blade refusal on 400 metre sections.

First-pass aircore drilling over the Company’s FRN project area was designed to investigate a number of parameters including; depth of cover, regolith, basement lithology, presence of saline water or graphite in the regolith, and to collect geochemical data through the weathering profile and of fresh rock at the bottom of hole where possible. Broad spaced drilling (400m x 200m) over the northern “eye” has encountered mafic granulites, mafic gneisses, and intermediate to felsic quartz-rich granitoids, confirming the similarity of basement rock types to those that host the Nova nickel mineralisation. Several areas of low-level coincident Ni and Cu were returned from this drilling- **Figure: 5**.

Aircore drilling at the South Central target has also returned mafic gneiss, mafic granulite, and mafic schist. Broad spaced drilling (400m x 200m) was completed along with a number of stratigraphic drill holes in this general area. Assays from this aircore drilling have been received and weakly anomalous results have been returned from 4 holes which are tabulated below. Some of these results are located at the bottom of hole.

Hole No	Easting (MGA94,Z 51)	Northing (MGA94, Z51)	RL (nominal)	Interval (m)	Ni (ppm)	Cu (ppm)	From Depth (m)	To Depth (m)	EOH Depth (m)
14WEAC122	526527	6472547	272	4	173		32	36	52
				12		193	28	40	52
14WEAC137	525484	6472359	287	20	117		32	52	58
14WEAC145	526721	6471352	267	3	157		36	39	39
14WEAC153	526022	6470872	269	8	154		36	44	44
				4		498	36	40	44

Table 1: Anomalous drill assays from South Central Prospect – E69/2989

No extensive or deep areas of cover were encountered within the areas drilled in E69/2989 and E28/2017, and no graphite or saline water was identified within the weathered profile. These findings have confirmed the suitability of airborne electromagnetic (EM) techniques to identify buried conductors down to an estimated 125m - 150m depth. The significance of this to Windward is twofold; a) it allows the Company to cover large prospective areas relatively cheaply and effectively (down to an estimated 125m - 150m), and b) when combined with the information gathered from the wide-spaced drilling, the ability to more accurately rank individual conductors – something very difficult (and often expensive) to do with EM data alone.

Airborne EM is intended to be flown over several target areas in the September 2014 quarter.

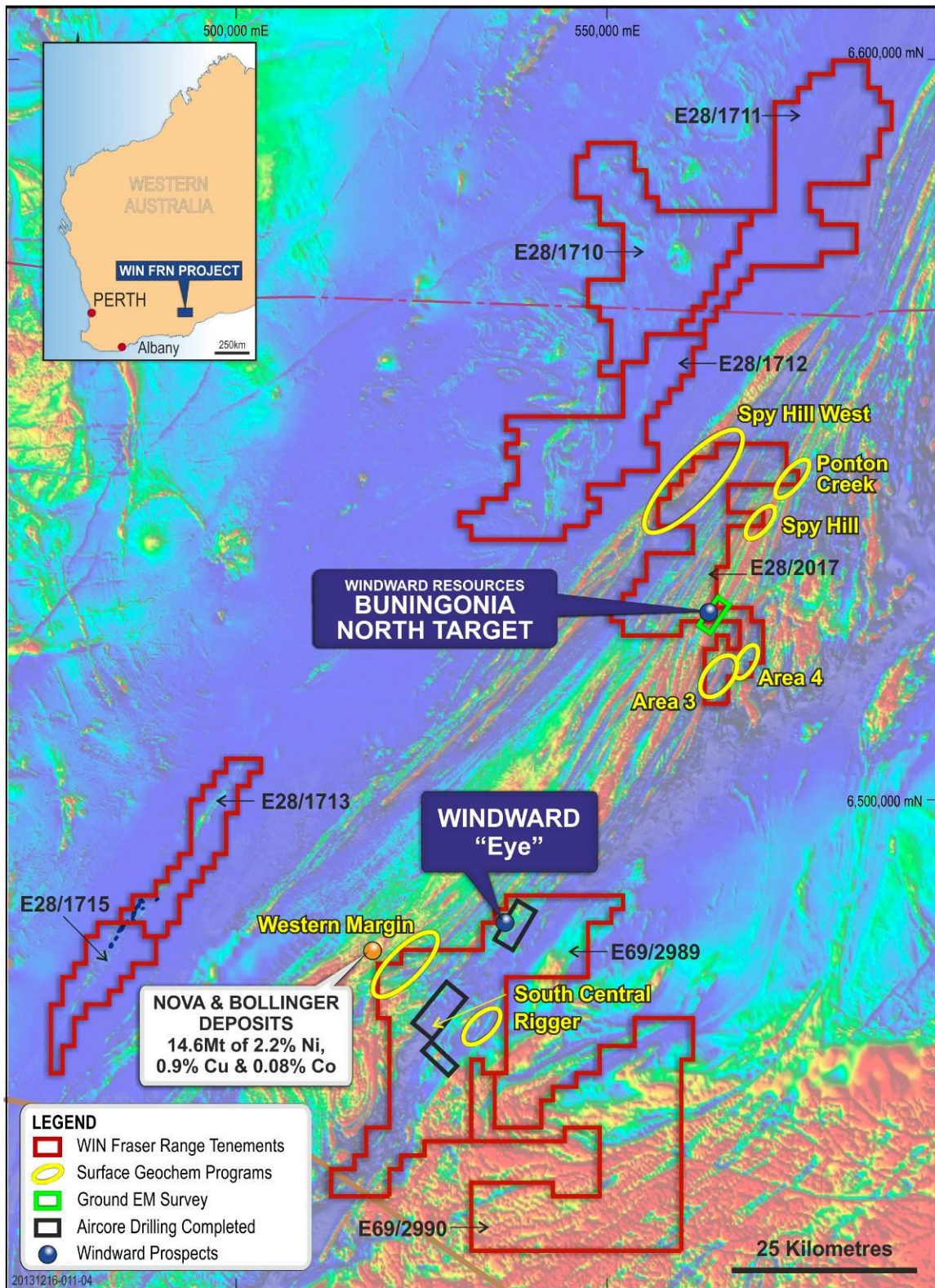


Figure 4: FRN – Work Programs completed during the June 2014 Quarter.

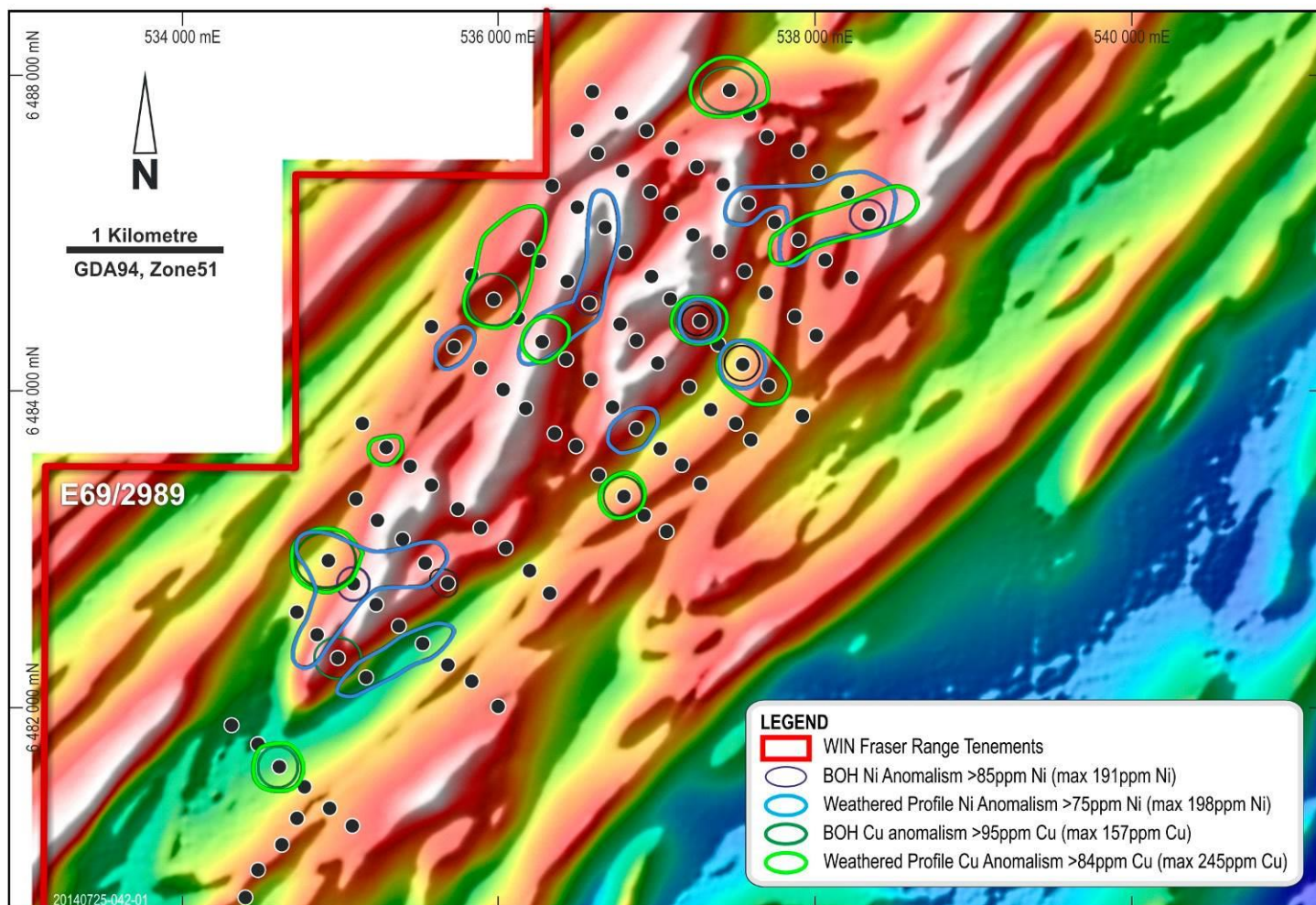


Figure 5: FRN – Low level coincident nickel and copper anomalism in aircore drilling at Wineye Prospect

Ground EM Survey - Buningonia North

During the quarter a ground based EM survey was completed at the Buningonia North prospect within the FRN project. This was a moving-loop electro-magnetic (MLTEM) survey covering the recently completed aircore drilling which returned a number of highly anomalous nickel results (**Figure: 6**). The drilling was completed to blade refusal and the results were released to the market on 24 March 2014. This moving loop survey was conducted by GEM Geophysics using a double turn 200m by 200m transmitter loop and the SQUID receiver.

The interpretation of this data set has been completed and has identified three moderate priority conductors. Conductor target BN001 corresponds to the target horizon (anomalous Ni results from aircore drilling and disrupted magnetic features) but displays low conductivity indicating that the source is not likely to be massive sulphides. Conductor BN002 is a single peaked response of short strike length that appears to be offset from the target horizon. Conductor BN003 is a discrete target with a late time response decay range typical of massive sulphides. This target has been modelled to a depth of 355 metres to the top of the response. A fixed loop EM survey will be conducted to better define this target prior to any future drill testing.

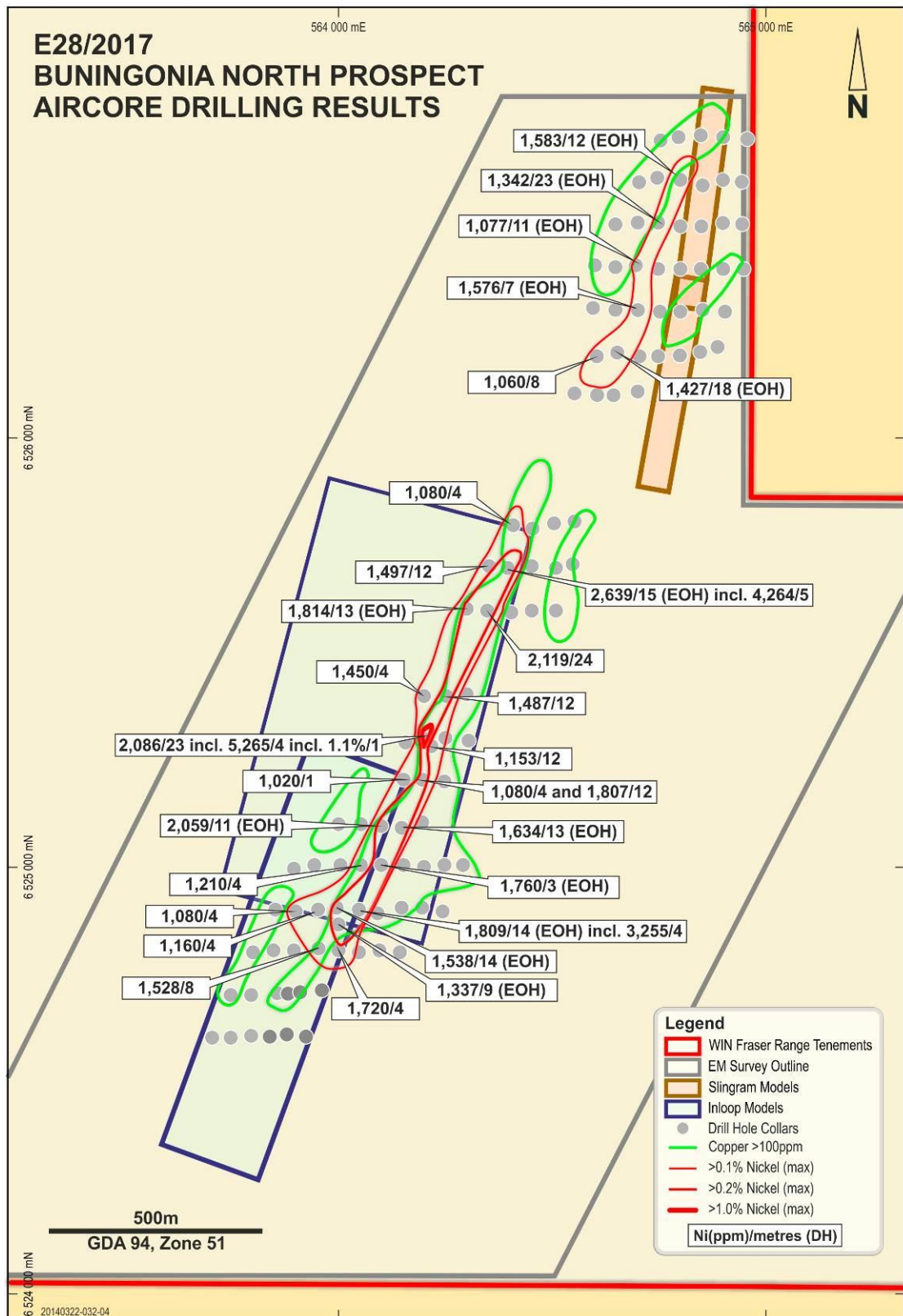


Figure 6: Bunungonia North Prospect aircore drilling results and location of EM conductors.

Exploration Plans - Calendar Year Q3

The Company's exploration programme for CY-Q3 includes the following;

- Diamond drill testing of the EM conductor at the Kendenup Prospect (FRS)
- Complete all follow-up geochemical sampling on identified targets within the FRS Project
- Aircore drilling to be completed across a number of remaining targets on the FRN (Win-Eye) tenement (E69/2989)
- Completion of several airborne HeliTEM survey areas covering targets on E69/2989 and E28/2017 (FRN), including the Win-Eye and extensions of the stratigraphy which hosts Classic Minerals' "Mammoth" prospect and other targets identified from magnetics
- Ground EM and Drill testing of conductors identified in HeliTEM surveys (FRN)

The Company continues to rapidly advance its knowledge base on the FRN and FRS projects by careful and persistent exploration with the aim of making a significant discovery.

The Company will make regular updates to shareholders as results become available.

ASX ANNOUNCEMENTS

During the June Quarter 2014, Windward Resources released the following announcements.

DATE	TITLE
27/06/2014	Exploration Update - Fraser Range Projects
16/05/2014	Ground ElectroMagnetic Survey Commenced at Fraser Range
05/05/2014	Corporate Presentation
28/04/2014	Quarterly Activities and Cash Flow Report
23/04/2014	Change of Share Registry Address

David J Frances
Managing Director & CEO

Competent Persons Statement

The information in this document that relates to exploration results is based upon information compiled by Mr Alan Downie, a full-time employee of Windward Resources Limited. Mr Downie is a Member of the Australasian Institute of Mining and Metallurgists (AusIMM) 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 December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Downie consents to the inclusion in the report of the matters based upon the information in the form and context in which it appears.

- END -

Appendix 1: Windward Resources Limited – Tenement Information as Required by Listing Rule 5.3.3

TENEMENT	PROJECT	LOCATION	Change in Holding (%)	Holding (%)	TENSTATUS	JOINT VENTURE PARTNER	JOINT VENTURE
E 70/3112	Fraser Range South	Rocky Gully	70%	70%	LIVE	CREASY, MARK GARETH	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/3113	Fraser Range South	Frankland	70%	70%	LIVE	CREASY, MARK GARETH	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/3114	Fraser Range South	Cranbrook	70%	70%	LIVE	CREASY, MARK GARETH	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/3115	Fraser Range South	Borden	70%	70%	LIVE	CREASY, MARK GARETH	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/3116	Fraser Range South	Bremer Bay	70%	70%	LIVE	CREASY, MARK GARETH	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/3117	Fraser Range South	Jerramungup	70%	70%	LIVE	CREASY, MARK GARETH	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/4064	Fraser Range South	South Stirling	70%	70%	LIVE	NBX PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/4065	Fraser Range South	Narrikup	70%	70%	LIVE	NBX PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/4068	Fraser Range South	Mt Barker	70%	70%	LIVE	NBX PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/4083	Fraser Range South	Gairdner	0%	*0%	LIVE	NBX PTY LTD	Farm In and Joint Venture Agreement
E 70/4084	Fraser Range South	Chillinup	70%	70%	LIVE	NBX PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/4085	Fraser Range South	Marnigarup	0%	*0%	LIVE	NBX PTY LTD	Farm In and Joint Venture Agreement
E 70/4105	Fraser Range South	Nunijup	70%	70%	LIVE	GREAT SOUTHERN GOLD PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 70/4495	Fraser Range South	Kendenup West	70%	70%	LIVE	NBX PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement

TENEMENT	PROJECT	LOCATION	Change in Holding (%)	Holding (%)	TENSTATUS	JOINT VENTURE PARTNER	JOINT VENTURE
E 69/2989	Fraser Range North	Fraser Range	70%	70%	LIVE	PONTON MINERALS PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 28/1710	Fraser Range North	Zanthus	70%	70%	LIVE	LAKE RIVERS GOLD PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 28/1711	Fraser Range North	Zanthus	70%	70%	LIVE	LAKE RIVERS GOLD PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 28/1712	Fraser Range North	Zanthus	70%	70%	LIVE	LAKE RIVERS GOLD PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 28/1713	Fraser Range North	Fraser Range	70%	70%	LIVE	LAKE RIVERS GOLD PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 28/1715	Fraser Range North	Fraser Range	70%	70%	LIVE	LAKE RIVERS GOLD PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 28/2017	Fraser Range North	Fraser Range	70%	70%	LIVE	PONTON MINERALS PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
E 69/2990	Fraser Range North	Fraser Range	70%	70%	LIVE	PONTON MINERALS PTY LTD	Fraser Range Tenement Sale and Joint Venture Agreement
ELA 28/2458	Fraser Range North	Zanthus	0%	0%	APPLICATION	Creasy Group	Fraser Range Tenement Sale and Joint Venture Agreement
ELA 28/2459	Fraser Range North	Zanthus	0%	0%	APPLICATION	Creasy Group	Fraser Range Tenement Sale and Joint Venture Agreement
ELA 69/3283	Fraser Range North	Balladonia	0%	0%	APPLICATION	Creasy Group	Fraser Range Tenement Sale and Joint Venture Agreement

Note: Asterix (*) denotes that Windward Resources have the right to earn up to 70% tenements E70/4083 and E70/4085 by meeting specific expenditure milestones

Appendix 2: Windward Resources Limited – Fraser Range North and Fraser Range South projects – Soil Sampling, Laterite Sampling, Aircore Drilling JORC CODE 2012 Table 1.

Section 1 Sampling Techniques and Data

	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<p>Soil samples were collected on various spacing's at an average depth of 20cm. QAQC standards are included routinely with the submission of soil samples. All soil samples are sieved 177µ (minus 80 mesh) samples. Soil samples are submitted for multi-element analysis by ICP-MS technique.</p> <p>All roadside sampling was by collection of laterite at various depths. All laterite samples are submitted for multi-element analysis by ICP-MS technique.</p> <p>All aircore drill samples were collected using a hand held spear.</p> <p>A full and level spear is consistently collected for each sample. Samples were composited by sampling the individual 1 metre sample spoils and combining 4 for each composite sample.</p> <p>Aircore drilling was used to obtain 1 metre samples which are initially composited for multi-element analysis by ICP-MS/OES technique.</p>
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<p>The aircore drilling was completed by Drillpower using a 92 mm blade bit to blade refusal.</p>
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<p>Sample recoveries were recorded but not quantitatively measured.</p> <p>The sampling cyclone and buckets were cleaned regularly. Not applicable</p>

	JORC Code Explanation	Commentary
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<p>Soil samples are logged for landform and surface material considerations. Samples do not produce chips for suitable for geological or geotechnical logging. The samples collected are fine sieved samples.</p> <p>Aircore drill chips were geologically logged only. A bottom of hole reference sample of the washed cuttings was retained was collected for each drill hole. Qualitative descriptions recorded of color, grain size, texture and lithology.</p> <p>Geological information is collected digitally (tablet) at the drill site.</p> <p>Drill holes are geologically logged in their entirety.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Not applicable Soil samples were dry. The samples are dried and pulverized before analysis. Pulveriser bowls are barren washed between samples. QAQC reference samples are routinely submitted with each sample batch generally on a ratio of 1 standard per 50 samples. No field duplicates are taken for first pass soil sampling. Areas of interest are re-confirmed by completing infill sampling. The size of the sample is considered appropriate for mineralisation styles sought and for the analytical technique used. Aircore samples are not riffle split. Samples consisted routinely of 4 metre composites. Other composites of 2 metre and 3 metres and individual 1 metre samples were collected where required (ie bottom of hole). Submitted sample weights vary from 1 kg to 3 kg. In selected interval samples were also collected as individual 1 metre samples. Samples were collected using hand spearing of each of the sample spoils. Where 4 metre composite samples return anomalous results the 1 metre samples may be submitted for analysis.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their</i> 	<ul style="list-style-type: none"> The soil samples analysis was completed by Labwest Laboratories in Malaga, WA using a microwave/aqua regia based digest. This method is considered a partial extraction technique. Elements were measured using an inductively coupled plasma mass spectrometry (ICP-MS) technique. These are considered the most cost effective technique of low level analysis of gold and base metals.

	JORC Code Explanation	Commentary
	<p><i>derivation, etc.</i></p> <ul style="list-style-type: none"> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> For soil samples QAQC samples were routinely inserted within the sample batches at generally 1 standard per 50 samples. In addition reliance is placed on laboratory procedures and laboratory batch standards. For aircore drilling samples analysis was completed by ALS Laboratories Perth using a 4 acid digest, which is regarded as a total digest. Elements were measured using inductively coupled plasma mass spectrometry (ICP-MS) and Optical Emission (ICP-OES) techniques. These are considered the most cost effective technique of low level analysis of gold and base metals. For aircore drill samples QAQC samples were routinely inserted within the sample batches at generally 1 standard per 50 samples. In addition reliance is placed on laboratory procedures and laboratory batch standards.
Verification of sampling and assaying	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> Alternative company personnel (geologists and database specialist) have verified the significant results that are listed in this report. It is considered that the company is using industry standard techniques for sampling and using independent laboratories with the inclusion of company standards on a routine basis. Not Applicable at this early stage of exploration. Sampling data is collected in the field and data entry and validation is completed in the office by experienced database personnel assisted by the geological staff and assay results are merged with the primary data using established database protocols. No adjustments are made to the assay data.
Location of data points	<ul style="list-style-type: none"> <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> Soil sample sites are surveyed by using modern GPS units with a considered accuracy of +/- 5 metres. This is considered acceptable for these broad spaced ground activities. All coordinates are expressed in GDA 94 datum. Topographic control of 2- 10 metres is achieved by using published maps. This is considered acceptable for these regional style exploration activities.
Data spacing and distribution	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral</i> 	<ul style="list-style-type: none"> Soil sample and aircore drillhole spacing's are determined by allowing a first pass testing to cover the target area. This sampling has been completed on various spacings dependent on style of deposit being

	JORC Code Explanation	Commentary
	<p><i>Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></p> <ul style="list-style-type: none"> <i>Whether sample compositing has been applied.</i> 	<p>explored for.</p> <ul style="list-style-type: none"> Not applicable No Compositing of samples has been undertaken for the soil or roadside laterite sampling programs. Aircore samples consisted routinely of 4 metre composites. Other composites of 2 metre and 3 metres and individual 1 metre samples were collected where required (ie bottom of hole).
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> The orientation of the aircore traverses is considered to achieve an unbiased sampling at these broad spacings given it is an early stage of exploration. Not applicable
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Sample bags are clearly marked and addressed for assay laboratory and are delivered using commercial carriers or company personnel. Assay pulps are retained and stored in company facility for future reference if required.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No audits or reviews have been completed of sampling techniques.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> E28/2017 and E69/2989 are owned 70% Windward Resources and 30% Ponton Minerals Pty Ltd. They located on vacant crown land. A proposed nature reserve PNR/91 covers approximately 60% of E28/2017. The tenements are located within Native Title Claim WC 99/2 by the Ngadju People. E28/2017 is granted for a period of 5 years and expires on 21 September 2016. E69/2989 is granted for a period of 5 years and expires on 3 April

Criteria	JORC Code explanation	Commentary
		<p>2018.</p> <ul style="list-style-type: none"> All of the Fraser Range South tenements are located on farming freehold title. *Attached table lists expiry dates.
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Previous exploration carried out by previous explorers include calcrete, soil, rockchip, and laterite sampling. Broad spaced aircore drilling has also been completed. Geological Survey of WA (GSWA) have completed regional soil sampling on nominal 4 kilometre centres and the acquisition of 400 metre spaced aeromagnetic and radiometric data.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The target is Nova style Ni Cu mineralization hosted in high grade mafic granulites of the Fraser Complex.
Drill hole Information	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> The soil sample locations are shown in the body of the text. The aircore drilling completed previously by Windward has been reported in earlier ASX releases. All holes with significant intersections of copper (>200ppm) and/or nickel (>1000ppm) and/or silver (>1g/t) and/or cobalt (>1,000ppm). The remaining holes do not have any significant results to report and are not listed. Drilling was undertaken testing conceptual targets and covering geochemical anomalies. Although these holes have no significant results they have provided valuable geological information.
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> For the aircore drilling (previously reported) weighted averaging techniques (where required) have been applied to the composite samples when calculating grade intervals. No compositing of assays have been applied to the soil sample results. The composited intervals for aircore drilling have been calculated using a minimum of assay of 1,000 ppm Ni or 200ppm Cu, where applicable. No metal equivalent values have been reported.
Relationship between mineralisation	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> The geometry of anomalous nickel assays from aircore drilling is

Criteria	JORC Code explanation	Commentary
widths and intercept lengths	<ul style="list-style-type: none"> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<p>unknown.</p> <ul style="list-style-type: none"> The soil sampling assays defines a geochemical surface expression and no information regarding possible geometry of mineralisation is obtained. All drill hole intercepts are measured in down hole metres
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Appropriate plans have been included in the body of the report.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable at this stage.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> A detailed aeromagnetic survey was completed in early December 2013 by GPX Surveys Pty Ltd. No interpretations have been completed on this data set at this stage. This survey has been completed along NW – SE flights at 50 metre spacing using a nominal 30 metre flying height. Aircore drilling has been completed by Windward Resources during February and March 2014.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Further regional and infill soil sampling covering selected target areas is planned. It is planned to complete further aircore drilling over selected targets. Airborne EM is planned to be lown over selected areas of the FRN project.

* Details of All Fraser Range South Tenements Currently Held

Tenement ID	Manager Co.	Granted Date	Expiry Date	Status	Type	Area Kms ²	Blocks
E70/3112	Windward	12-Mar-13	11-Mar-18	GRANTED	E1-2 WA	329	116
E70/3113	Windward	12-Mar-13	11-Mar-18	GRANTED	E1-2 WA	215.5	76
E70/3114	Windward	12-Mar-13	11-Mar-18	GRANTED	E1-2 WA	297.8	105
E70/3115	Windward	12-Mar-13	11-Mar-18	GRANTED	E1-2 WA	567.5	200
E70/3116	Windward	12-Mar-13	11-Mar-18	GRANTED	E1-2 WA	436.6	154
E70/3117	Windward	12-Mar-13	11-Mar-18	GRANTED	E1-2 WA	478	168
E70/4064	Windward	29-May-13	28-May-18	GRANTED	E1-2 WA	565.5	200
E70/4065	Windward	23-Dec-13	22-Dec-18	GRANTED	E1-2 WA	564.5	200
E70/4068	Windward	06-Jul-12	05-Jul-17	GRANTED	E1-2 WA	565.6	200
E70/4083	Windward	07-Mar-12	06-Mar-17	GRANTED	E1-2 WA	568.2	200
E70/4084	Windward	18-Feb-13	17-Feb-18	GRANTED	E1-2 WA	567.1	200
E70/4085	Windward	07-Mar-12	06-Mar-17	GRANTED	E1-2 WA	198.8	70
E70/4105	Windward	18-Feb-13	17-Feb-18	GRANTED	E1-2 WA	212.6	75
E70/4495	Windward	01-Aug-13	31-Jul-18	GRANTED	E1-2 WA	48.1	17

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

WINDWARD RESOURCES LTD

ABN

38 158 432 270

Quarter ended ("current quarter")

30 JUNE 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(923)	(2,798)
(b) development	-	-
(c) production	-	-
(d) administration	(230)	(1,065)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	65	174
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (GST paid on acquisition of tenements)	663	-
Net Operating Cash Flows	(425)	(3,689)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	(3,100)
(b) equity investments	-	-
(c) other fixed assets	(16)	(330)
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	(16)	(3,430)
1.13 Total operating and investing cash flows (carried forward)	(441)	(7,119)

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(441)	(7,119)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	10,911
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 – cost of share issues	-	(911)
	Net financing cash flows	-	10,000
	Net increase (decrease) in cash held	(441)	2,881
1.20	Cash at beginning of quarter/year to date	6,389	3,067
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	5,948	5,948

Payments to directors of the entity, associates of the directors, 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	110
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 – Amount comprises director fees paid to non-executive directors and executive management.

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	1,224
4.2 Development	-
4.3 Production	-
4.4 Administration	537
Total	1,761

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	1,913	1,389
5.2 Deposits at call	4,035	5,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	5,948	6,389

+ See chapter 19 for defined terms.

Appendix 5B**Mining exploration entity and oil and gas exploration entity quarterly report****Changes in interests in mining tenements and petroleum tenements**

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Nil	Nil	Nil	Nil
6.2 Interests in mining tenements and petroleum tenements acquired or increased	E69/3283	Application	0%	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 Preference securities (description)	-	-	-	-
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 *Ordinary securities	88,057,031	63,379,000	-	-
7.4 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs	-	-	-	-
(c) escrow release	-	-		
7.5 *Convertible debt securities (description)	-	-	-	-

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7	Options (description and conversion factor)	400,000 500,000 500,000 500,000 500,000 1,030,000 800,000	- - - - - - -	Exercise \$0.25 \$0.40 \$0.40 \$0.60 \$0.80 \$0.40 \$0.50	Expiry Date 1/7/16 1/7/16 1/7/18 1/7/18 1/7/18 1/9/16 1/9/16
7.8	Issued during quarter	-	-	Exercise -	Expiry Date -
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

+ 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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Stephen Brockhurst
Company Secretary
31 July 2014

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 and petroleum 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 or petroleum 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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