

HIGHLIGHTS

TECHNICAL:

During the quarter, significant progress was made at both the Glenburgh and Dalgaranga gold projects. Firstly the 12 month Glenburgh preliminary Feasibility study was completed with a positive outcome. Additionally, the resource base at the company's Dalgaranga project increased by 94% following a number of successful drill programs. The high grade initial Indicated and Inferred resource at the Golden Wings deposit (at Dalgaranga) is of particular interest as it could provide a short term, low capital cost development option for the company. Progress at the two flagship projects is summarised below:

Glenburgh Project

- The preliminary Feasibility Study was completed during the quarter. The study concluded that the project could sustain an economically viable development using a wide range of assumptions. The summary of the project metrics are:
 - An Initial Mining Inventory of 4.9Mt @ 2.0g/t gold for 316,000oz of contained gold
 - 1.2Mtpa processing rate producing 73,000ozpa
 - Mine Life of over 4 years with significant exploration upside not included
 - Excellent Metallurgical recoveries of 94.5%
 - Capital cost of \$60.4 million (assuming a second hand processing plant)
 - Pre-production working capital of \$10 million
 - "All In" Sustaining Cost per Ounce - \$994
 - Operating (pre tax) Cash Surplus of \$162 million
 - LOM Revenue of \$448 million
- During the quarter, results for the 2,500m shallow aircore / RC drilling completed in the June quarter were received. The drilling identified a number of extensions to the Tuxedo, Shelby and South West deposits.

Dalgaranga Project

- Aircore drilling was completed during the quarter and identified a number of high grade mineralised zones at Gilbeys and Golden Wings. Results included:
 - 9m @ 3.9 g/t gold from 29m to EOH, includes 3m @ 9.3 g/t gold
 - 4m @ 8.2 g/t gold from 50m, includes 2m @ 14.7 g/t gold
 - 5m @ 5.1 g/t gold from 17m, includes 1m @ 24.7 g/t gold
 - 4m @ 6.6 g/t gold from 49m to EOH, includes 2m @ 12.1 g/t gold
 - 1m @ 17.7 g/t gold from 55m
- Resource estimation was completed on the Gilbeys and Golden Wings deposits, which resulted in a **94% increase** to the Dalgaranga Resource to:

13.4Mt @ 1.7g/t gold for 740,900oz of gold
- The Mining Lease covering all of the resources, historical prospects and potential infrastructure was granted.
- A 10,000m drilling program is underway targeting resource extensions

CORPORATE:

- During the quarter Evans and Partners initiated research coverage on the company. The research report is available on the company's website.
- Subsequent to the September quarter, a change in substantial holder notice was also received; with JPMorgan Chase increasing its holding in the company to 7.53% through a series of on market purchases.
- The company's cash reserves were \$2.1 million at the end of the quarter.

CORPORATE DETAILS

ASX Code: GCY
Shares: 158M
Share Price: 21 cents
Market Cap: \$33 M

ASSETS

Cash: \$2.1 M
Glenburgh (100%) 1.0M oz Gold
Dalgaranga (80%) 740,900 oz Gold
Egerton (under option) 24,000oz Gold

BOARD

Non-Executive Chairman
Mike Joyce

Managing Director
Michael Dunbar

Non-Executive Directors
John den Dryver
Gordon Dunbar
Graham Riley
Stan Macdonald

CONTACT DETAILS

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REVIEW OF OPERATIONS

Glenburgh

E09/1325, 1764, 1865, 1866, 1946 & 1947, ELA 2025 & 2073, P09/471-474, MLA 09/148, LLA09/50 -100% Gascoyne

The preliminary outcomes of the Glenburgh Feasibility Study were released during the quarter (See ASX announcement 5th August 2013). The study concluded that the project can sustain an economic development which could provide a pre tax operating surplus of \$162 million, with operating costs (All in Sustaining costs) of \$991/oz (see below for further details).

In addition to completion of the Feasibility study, shallow aircore/RC drilling results were received during the quarter. The results highlight the potential for shallow high grade extensions to the known deposits.

Exploration Activities

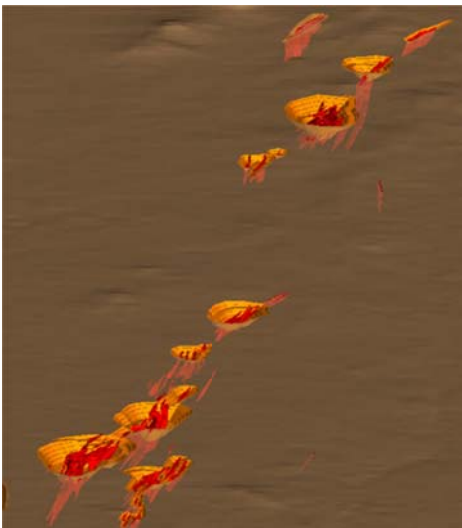
Aircore/RC Drilling

Results from 2,500m of aircore / RC drilling completed during the June quarter were received during the quarter (see ASX announcement 22nd July 2013). The results highlight the high potential for additional shallow economic mineralisation at Glenburgh. Results include:

- o Tuxedo
 - 3m @ 11.2 g/t gold from 19m
 - 9m @ 2.5 g/t gold from 25m
 - 6m @ 1.2 g/t gold from 12m
 - 13m @ 1.0 g/t gold from 37m to EOH
- o Shelby
 - 13m @ 1.1 g/t gold from surface
 - 9m @ 1.0 g/t gold from 2m
 - 6m @ 1.4 g/t gold from 10m
 - 4m @ 1.4 g/t gold from 26m
- o South West Area
 - 13m @ 1.1 g/t gold from surface

FEASIBILITY STUDY UPDATE:

As announced on the 5th of August 2013, The 12 month preliminary Feasibility Study was completed for the proposed development of the Glenburgh Gold Project. The Study was completed by a number of



Oblique view of the Glenburgh conceptual pits

independent consultants and investigated several options, based around a carbon in leach (CIL) treatment facility, processing 1.2mtpa producing approximately 73,000ozpa. The project includes a number of conceptual mill feed sources including eleven open pits at Glenburgh, a high grade open pit at the Egerton project (currently under option) and an underground development at the Zone 126 deposit at Glenburgh.

From these mill feed sources, a total mining inventory of **4.9Mt @ 2.0 g/t gold for 316,000 ounces** of gold was estimated. It should be noted that while ~70% of the mining inventory is in the Measured or Indicated Resource category (and could be converted into a Probable Reserve), 30% of the material in the mine plan is classified as Inferred and hence can't be converted into a reserve. As a result a reserve has not been calculated for the project and the financial assessments provided are preliminary in nature. There is no guarantee that future drilling will result in the conversion of the Inferred Resource to

Indicated allowing a reserve to be calculated. See Figure 2 for conceptual site layout.

The capital cost estimate (using a second hand mill) was \$60.4 million, while a further \$10 million of preproduction working capital was required for the project. See Table 1 for the Key Project Statistics

Table 1 – Key Glenburgh Project Statistics

Mineral Resources	Tonnage	Grade	Ounces
Measured (Egerton)*	32,100	9.5 g/t	9,800
Indicated (Egerton + Glenburgh)*	6.95Mt	1.75 g/t	390,000
Inferred (Egerton + Glenburgh)*	14.2Mt	1.35 g/t	620,000
Total Resources	21.2Mt	1.5 g/t	1.02Moz
MINING INVENTORY			
Measured Resource (Egerton)	50,000	6.6g/t	10,000
Indicated Resource (Egerton + Glenburgh)	3.01Mt	2.1g/t	202,000
Inferred Resource (Egerton + Glenburgh)	1.86Mt	1.7g/t	101,000
Total Mining Inventory **	4.92Mt	2.0g/t	316,000oz
CAPITAL COSTS (A\$)			
			Life of Mine
Fixed Plant and Establishment			\$60.4M
Pre-Production Working Capital			\$10M
Initial Underground Development (year 3)			\$15M
Total Sustaining Capital			\$13.2M
PRODUCTION SUMMARY			
Life of Mine			4+ years
Strip Ratio (open cut)			8.1:1
Processing Rate			1.2 Mtpa
Average Recovery			94.5%
Gold Production			299,000 oz
Processing Cost /t (inc royalties, processing & Admin)			\$29.20
PROJECT ECONOMICS			
Base Case gold price (US\$)			\$1,350
Exchange Rate (US\$:A\$)			90c
Revenue (A\$)			\$448M
C1 Cash Costs per ounce ¹			\$913
All In Sustaining Costs per ounce ²			\$994
Operating Cash Surplus (A\$)			\$162.1M

Notes: 1 C1 Cash costs include all open cut mining costs (ie there has been no capitalisation of cutbacks or open cut waste mining costs), underground production mining costs (excluding waste development costs), all processing, site administration, travel and accommodation costs, selling costs, grade control, fixed monthly mining costs, ongoing rehabilitation but excludes state royalties

2 All in Sustaining Costs include all of the C1 costs plus state royalties, establishment costs for satellite deposits, tailings dam lifts, demobilisation of the mining fleet, a closure rehabilitation allowance as well as underground waste development but excludes one off capital items such as initial underground establishment in year 3 and initial project capital

* Egerton Resource reported at 2.0g/t cutoff. Glenburgh Resources reported at 0.5g/t cutoff, see Tables 3 & 4 for a breakdown of resource classification

** Discrepancies due to rounding

Glenburgh Forward Program

With the preliminary Feasibility Study complete, the focus for future activities for Glenburgh has shifted to permitting of the project. The forward program includes:

- Native Title negotiations
- Project permitting including submission of the mining plans and other approvals
- Process plant design, and evaluation of second hand processing facilities
- Further refinements of the Feasibility Study including power costs, resource updates (to include the 2013 drilling), improvements in the capital and operating costs
- Evaluation of financing options
- Additional resource growth drilling

Dalgaranga

E59/1709, M59/749, ELA21/173 & 174, ELA59/1904, 1905, 1906 & 1922, LLA 59/141 & 142 - 80% Gascoyne

During the quarter a significant exploration effort was directed to the Dalgaranga project as it provides a near term low capital development opportunity for the company. Activities have included:

- o Aircore drilling to define the high grade mineralisation at the Golden Wings and Gilbeys deposits
- o Resource estimation for the two deposits, which resulted in a **94% increase in the global resource base to 13.4Mt @ 1.7g/t gold for 740,900oz of contained gold**
- o Commencement of a Scoping Study on development options for the project
- o Grant of the mining lease covering the known mineralisation and numerous historical prospects

Exploration Activities

Aircore Drilling

Following the discovery of the high grade Golden Wings prospect in the June quarter, further drilling was undertaken to further evaluate the prospect. A total of 78 aircore holes were drilled at the project, mainly exploration near the Gilbeys resource area and around the Golden Wings prospect.

The drilling has identified a significant shallow and high grade zone of gold mineralisation at the Golden Wings prospect and at the Gilbeys deposit (See Figure 3). As released to the ASX on the 21nd of August, results included:

Golden Wings

- o 9m @ 3.9 g/t gold from 29m to EOH, includes 3m @ 9.3 g/t gold (ends in 1m @ 25.0 g/t)
- o 4m @ 8.2 g/t gold from 50m, includes 2m @ 14.7 g/t gold
- o 5m @ 5.1 g/t gold from 17m, includes 1m @ 24.7 g/t gold

Gilbeys

- o 4m @ 6.6 g/t gold from 49m to EOH, includes 2m @ 12.1 g/t gold
- o 1m @ 17.7 g/t gold from 55m

These new results and the previous RC and historical results have been incorporated into an initial resource estimate for Golden Wings.

Resource Estimation

During the quarter resources have been estimated for the Gilbeys and Golden Wings deposits, resulting in an increase of **94%** in the total Dalgaranga resources to **13.4Mt @ 1.7 g/t for 740,900** ounces of contained gold (see Table 2 for breakdown of resource classification).

These resources are contained in two deposits:

Gilbeys Deposit:

As released to the ASX on the 1st of August, the resource for the Gilbeys deposit was re estimated during the quarter. This resulted in an increase in the resource of 80% to:

12.9 Mt @ 1.7 g/t gold for 685,000 ounces of gold (using a 1.0 g/t cut-off)

Importantly the increase was not as a result of lowering the resource cutoff, rather by the discovery of gold mineralised extensions to the deposit to the north, south and at depth. This resource will be used in the current Scoping Study that has commenced for the project. See Table 2 for the breakdown of resource classification and material type.

Golden Wings Deposit:

As a result of the recent RC drilling, the aircore drilling (mentioned above) and compilation of the historical drill data, an initial resource estimate has been completed at Golden Wings. An initial Indicated and Inferred resource of **450,000t @ 3.7g/t gold for 54,000 oz** has been defined (see ASX announcement 1st of September 2013) see Table 2 for the breakdown of resource classification and material type. Although currently modest in size, this resource is open along strike and down dip (and plunge) and is expected to increase with additional exploration. Due to the high grade nature of the deposit and the fact it extends to within 5m of surface (see Figure 4), there is potential to underpin a near term development through a high grade open pit mine delivering material to one of the nearby gold processing facilities in the southern Murchison of Western Australia.

Development Activities

As a result of the Dalgaranga global resources increasing by 94% during the quarter, a Scoping Study has commenced to determine the best development option for the project. The options being considered are:

- o Off Site processing (by CIL milling) through a third party processing facility
- o Off Site processing (by CIL milling) of the higher grade material and onsite Heap Leaching of the low grade
- o On site CIL processing

Each of the options have advantages and challenges, however the “off site processing” options would allow a short term low capital cost development.

The Scoping Study is expected to be completed by the end of the calendar year.

In addition to commencement of the Dalgaranga Scoping Study, the mining lease that covers all of the resources and numerous historical gold prospects has been granted. The lease covers a total area of 1,652ha and has been granted for a 21 years (See Figure 3).

The project will also need miscellaneous licences to link the granted mining lease to the existing public roads. Two applications for road access have already been lodged with the Department of Mines and Petroleum (See Figure 3). The company is hopeful that they will be granted by the end of the year, to allow the short term development options to be considered.

Dalgaranga Forward Program

The focus for the Dalgaranga project during the next few months will be completion of the Scoping Study and additional exploration and resource drilling. The forward program includes:

- A 10,000m exploration aircore drill program which is currently well advanced
- A 1,000m RC extensional and infill drill program at the High Grade Golden Wings deposit
- Completion of the Scoping Study, which includes mining studies, metallurgical testwork, resource confirmation drilling and environmental studies.
- Project permitting (once the preferred development option is determined)
- Preliminary discussions with potential third party mill operators in the region

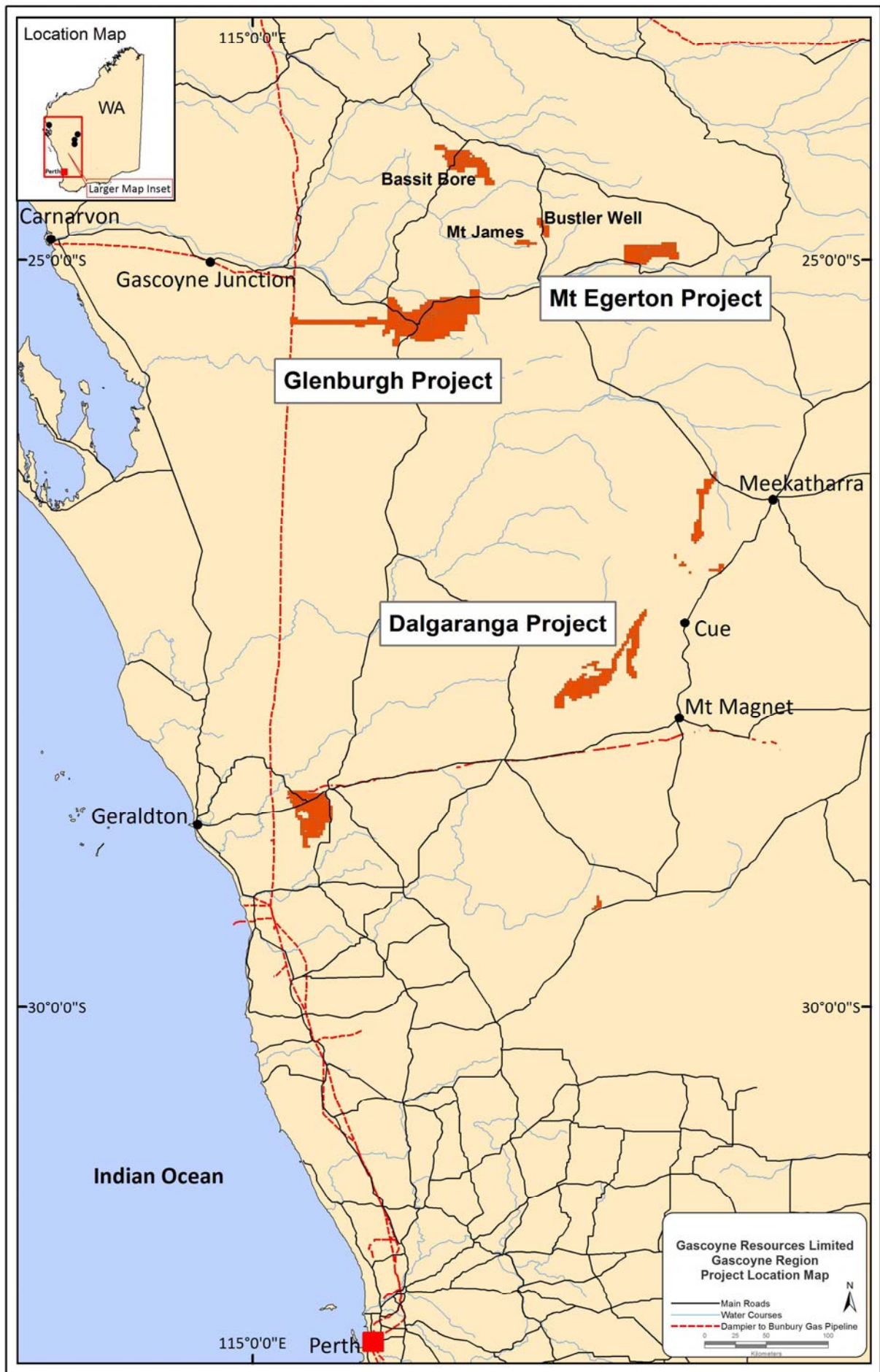


Figure 1: Gascoyne Resources Project Locations in the Gascoyne and Murchison Regions

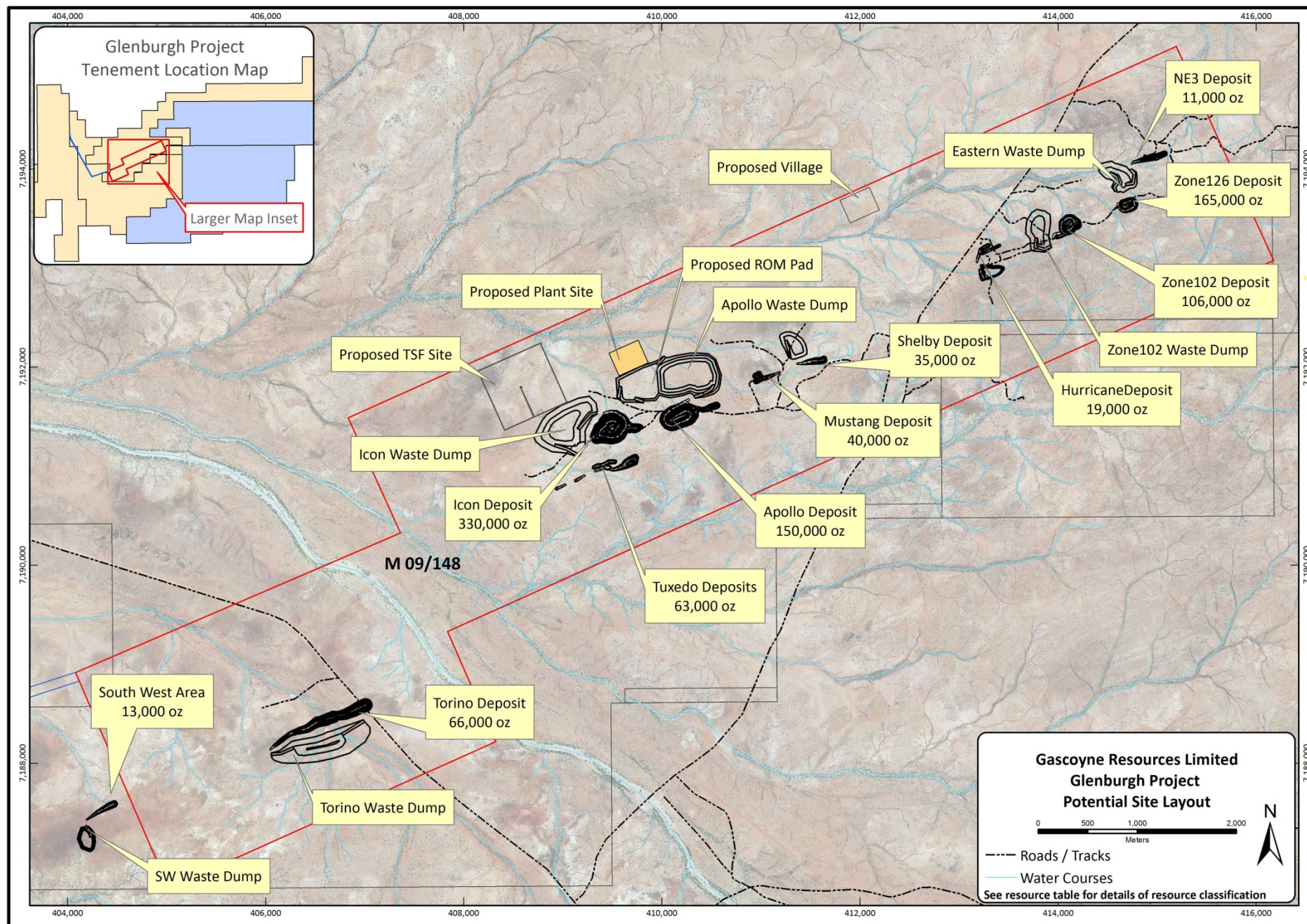


Figure 2: Glenburgh Project Conceptual Site Layout

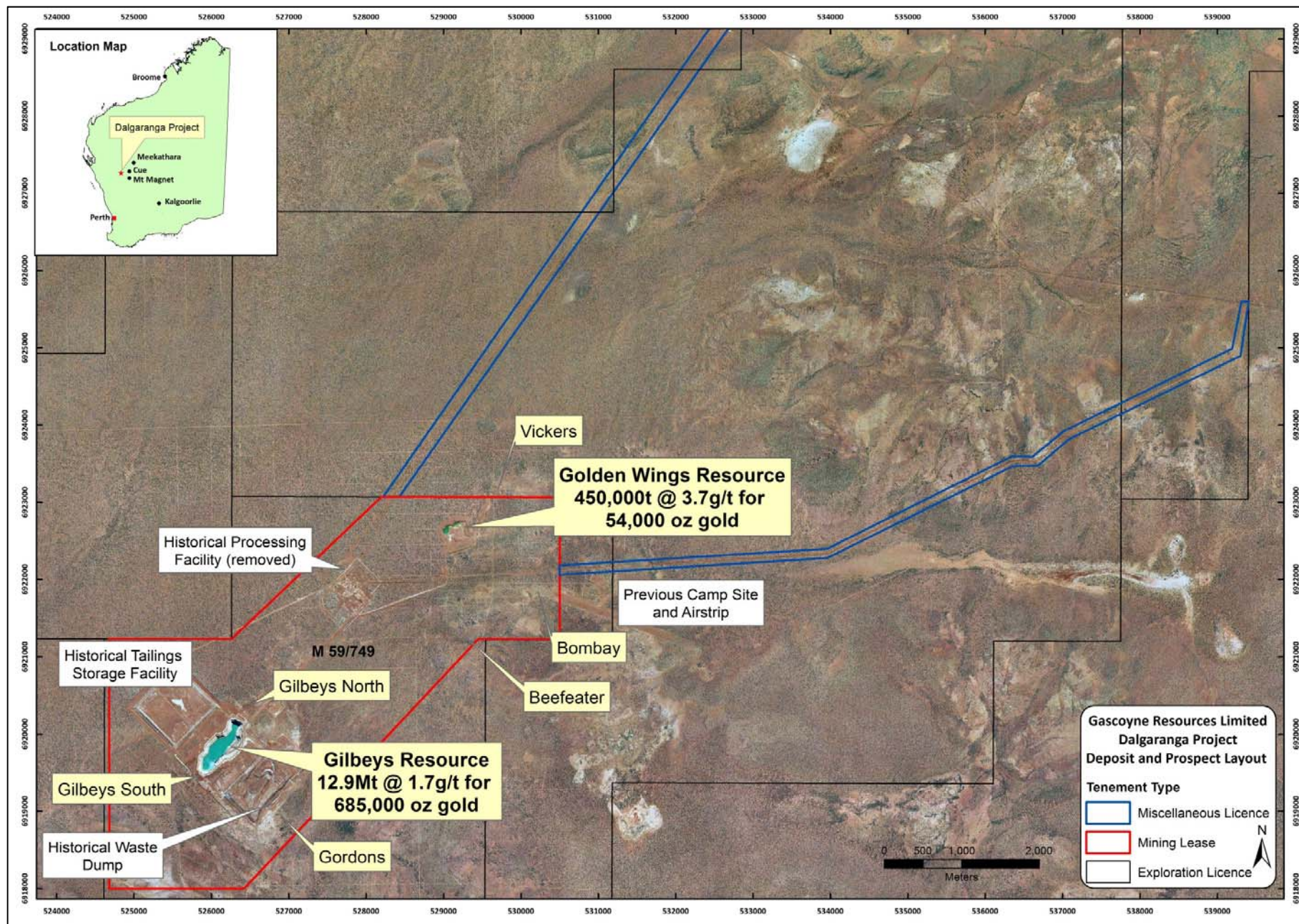


Figure 3: Dalgaranga Project Deposit and Prospect locations with Mining Lease and Miscellaneous Licences along with Previous Infrastructure Locations

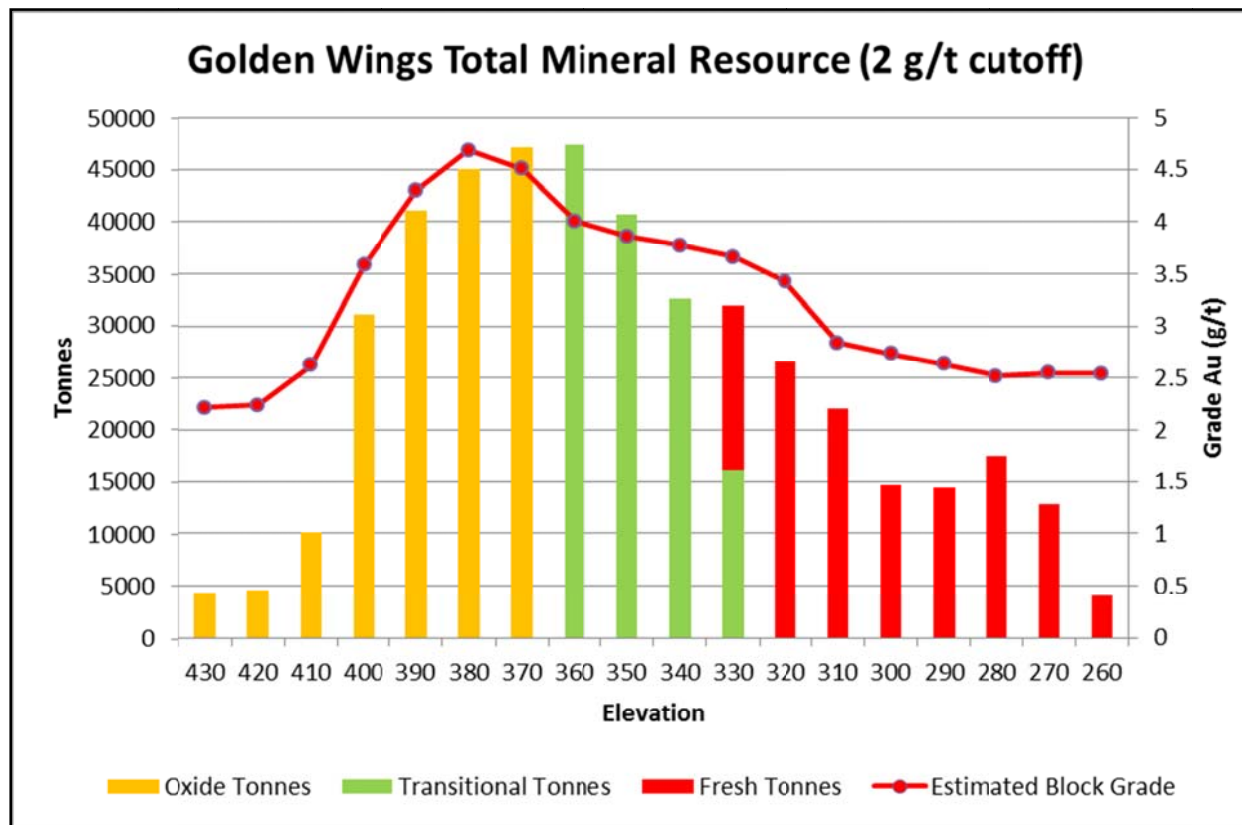


Figure 4: Golden Wings High Grade Initial Indicated and Inferred Resource by RL and Material Type

Table 2: Dalgaranga Global Mineral Resource Estimate

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Gilbeys ⁽¹⁾				4.7	1.6	240,200	8.2	1.7	445,200	12.9	1.7	685,000
Golden Wings ⁽²⁾				0.3	4.0	38,000	0.15	3.1	15,000	0.45	3.7	54,000
Golden Wings Laterite	0.04	0.8	1,000							0.04	0.8	1,000
Vickers Laterite	0.02	1.2	600							0.02	1.2	600
Total	0.06	1.1	1,600	5.0	1.7	278,000	8.35	1.7	460,000	13.4	1.7	740,900

Note: Discrepancies in totals are a result of rounding; unless otherwise stated, the above resources are reported at a 0.7 Au g/t cut-off

⁽¹⁾ Gilbeys resource cut-off 1.0 Au g/t

⁽²⁾ Golden Wings resource cut-off 2.0 Au g/t

Egerton

E52/2117, E52/2515, M52/343, M52/567 (under option) & E52/2866 - 100% Gascoyne

No on ground activities were completed during the quarter, as the exploration focus was split between Glenburgh and Dalgara. A data review has been completed on the project, which have highlighted a number of targets which will be followed up. Planning of field activities has commenced.

It is expected that on ground exploration activities will be stepped up at the Egerton project in the first half of 2014.

OTHER PROJECTS (Elphin Bore, Bassit Bore, Bustler Well, Mt James, Higginsville and Murchison)

No field exploration was undertaken during the quarter.

CORPORATE

During the quarter stockbroking firm Evans and Partners initiated research coverage on the company. A detailed initiation research report was published in early October and is available on the Company's website. Coverage is also provided by State One stockbroking and Edison Investment Research.

Just after the end of the September quarter, a change in substantial holder notice was received; with JPMorgan Chase increasing its holding in the company to 7.53% through a series of on market purchases.

During the quarter, preparation of the company's 2012 - 2013 Research and Development tax rebate commenced. It is expected that the R&D rebate along with the company's tax returns will be lodged in the December quarter.

The company's cash position at the end of the September quarter was \$2.1 million dollars.

Competent Persons Statement

Information in this announcement relating to mineral resources for the Glenburgh and Egerton projects are based on data compiled by Gascoyne's Managing Director Mr Michael Dunbar who is a member of The Australasian Institute of Mining and Metallurgy. Mr Dunbar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Dunbar consents to the inclusion of the data in the form and context in which it appears.

The laterite resources quoted for the Dalgara project have been sourced from Equigold NL annual reports, and other publicly available reports which have undergone a number of peer reviews by qualified consultants, that conclude that the resources comply with the 2004 JORC code and are suitable for public reporting. Resources quoted for the Glenburgh Project have been estimated for Gascoyne Resources Limited by RungePincockMinarco Limited, an international and independent resource consultancy.

The resources quoted for the Egerton project have been sourced from Exterra Resources reports, prospectus and other publicly available reports and in particular the "Hibernian Gold Deposit Resource Report" by Finore Pty Ltd which have undergone a number of peer reviews by qualified consultants, that conclude that the resources comply with the 2004 JORC code and suitable for public reporting. The resource was announced to the ASX by NGM Resources Ltd on 9 August 2005.

The Gilbeys and Golden Wings resource has been estimated by Elemental Geology Pty Ltd, an external consultancy, and are reported under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (see GCY -ASX announcement 1st August 2013 titled: Dalgara Gold Resource Increases 80% to 685,000oz and GCY- ASX announcement 1st October 2013 titled: Initial High Grade Gold Resource at Golden Wings) which are available to view on the company's website: www.gascoyneresources.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements (other than the grant of the Dalgara Mining Lease see Figure 3 in the body of this announcement) and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimate in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement

Background on Gascoyne Resources

Gascoyne Resources Limited was listed on the ASX in December 2009 and is focused on exploration and development of a number of gold projects in Western Australia.

The company owns three gold projects which combined have **1.76 million ounces of contained gold**:

GLENBURGH (100% GCY):

The Glenburgh Project in the Gascoyne region of Western Australia, has an Indicated and Inferred resource of: 21.1 Mt @ 1.5g/t Au for 1.0 million oz gold from several prospects within a 20km long shear zone (see Table 3)

A preliminary feasibility study on the project has been completed (see announcement 5th of August 2013) that showed a viable project exists, with a mining inventory of 4.9mt @ 2.0g/t for 316,000oz within 12 open pits and one underground operation. The study showed attractive “all in” operating costs of under \$1,000/oz and indicated a strong return with an operating surplus of ~ \$160M over the 4+ year operation. The study has included approximately 40,000m of resource drilling, metallurgical drilling and testwork, geotechnical, hydro geological and environmental assessments. Importantly the resource and resulting study has not included the drilling completed during 2013, which intersected significant shallow high grade zones at a number of the known deposits.

Table 3: Glenburgh Deposits
April 2013 Mineral Resource Estimate (0.5g/t Au Cut-off)

Type	Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Transitional	0.5	1.4	22,000	1.4	1.2	53,000	1.9	1.2	80,000
Fresh	6.4	1.8	360,000	12.8	1.4	561,000	19.2	1.5	920,000
Total	6.9	1.7	382,000	14.2	1.3	613,500	21.1	1.5	1,000,000

Note: Discrepancies in totals are a result of rounding

EGERTON (SECURED UNDER OPTION)

The project includes the high grade Hibernian deposit which contains a resource of **116,400 tonnes @ 6.4 g/t gold for 24,000 ounces** in the Measured, Indicated and Inferred JORC categories (Table 4). The deposit lies on a granted mining lease and previous drilling includes high grade intercepts, **2m @ 147.0 g/t gold, 5m @ 96.7 g/t gold and 5m @ 96.7 g/t gold** associated with quartz veining in shallow south-west plunging shoots. The Hibernian deposit has only been drill tested to 70m below surface and there is strong potential to expand the current JORC Resource with drilling testing deeper extensions to known shoots and targeting new shoot positions.

Table 4: Egerton Project: Hibernian Deposit Mineral Resource (2.0g/t Au Cut-off)

Classification	Tonnes	Au g/t	Au Ounces
Measured Resource	32,100	9.5	9,801
Indicated Resource	46,400	5.3	7,841
Inferred Resource	37,800	5.1	6,169
Total	116,400	6.4	23,811

DALGARANGA (80% GCY):

The Dalgaranga project is located approximately 65km by road NW of Mt Magnet in the Murchison gold mining region of Western Australia and covers the majority of the Dalgaranga greenstone belt. After discovery in the early 1990's, the project was developed and from 1996 to 2000 produced 229,000 oz's of gold with reported cash costs of less than \$350/oz.

The project contained a remnant JORC Measured, Indicated and Inferred resource of **13.4 Mt @ 1.7g/t Au for 740,900 ounces** of contained gold.(see Table 5).

Significant exploration potential also remains outside the known resource with numerous historical geochemical prospects only partly tested. The Golden Wings deposit is also open along strike and at depth. A 10,000m drill program is underway, which is the first major drill program on the project in the approximately 12 years.

Table 5: Dalgaranga Global Mineral Resource Estimate

Deposit	Measured			Indicated			Inferred			Total		
	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces	Tonnes Mt	Au g/t	Au Ounces
Gilbeys⁽¹⁾				4.7	1.6	240,200	8.2	1.7	445,200	12.9	1.7	685,000
Golden Wings⁽²⁾				0.3	4.0	38,000	0.15	3.1	15,000	0.45	3.7	54,000
Golden Wings Laterite	0.04	0.8	1,000							0.04	0.8	1,000
Vickers Laterite	0.02	1.2	600							0.02	1.2	600
Total	0.06	1.1	1,600	5.0	1.7	278,000	8.35	1.7	460,000	13.4	1.7	740,900

Note: Discrepancies in totals are a result of rounding; unless otherwise stated, the above resources are reported at a 0.7 Au g/t cut-off

(1) Gilbeys resource cut-off 1.0 Au g/t

(2) Golden Wings resource cut-off 2.0 Au g/t

Gascoyne is continuing to evaluate the Glenburgh gold deposits to delineate meaningful increases in the resource base and progress project permitting, while also continuing to explore the Dalgaranga project with the view to moving towards a low capital cost development as rapidly as possible. The Company also has a 15 month option on the Egerton project; where the focus is to assess the economic viability of trucking high grade ore to either Glenburgh or to another processing facility for treatment and exploration of the high grade mineralisation within the region.

Further information is available at www.gascoyneresources.com.au

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

Gascoyne Resources Limited

ABN

57 139 522 900

Quarter ended ("current quarter")

30 September 2013

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(830)	(830)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	23	23
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)	1	1
Net Operating Cash Flows		(1,202)	(1,202)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
Net investing cash flows			
1.13	Total operating and investing cash flows (carried forward)	(1,202)	(1,202)

+ 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)	(1,202)	(1,202)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
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 (provide details if material)		
	Net financing cash flows		
	Net increase (decrease) in cash held	(1,202)	(1,202)
1.20	Cash at beginning of quarter/year to date	3,263	3,263
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,061	2,061

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	122
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Director fees \$122k

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

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

- 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

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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	600
4.2 Development	
4.3 Production	
4.4 Administration	300
Total	900

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	411	1,013
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (Term Deposits)	1,650	2,250
Total: cash at end of quarter (item 1.22)	2,061	3,263

+ See chapter 19 for defined terms.

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	E09/1088 E09/2013	Surrendered Withdrawn	100% 100%
6.2	Interests in mining tenements and petroleum tenements acquired or increased	E09/2073 L59/141 L59/142 M59/749	Application Application Application Granted	0% 100% 80% 80%

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	158,269,520	158,269,520	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
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)	1,000,000 1,800,000	Nil Nil	<i>Exercise price</i> \$0.40 \$0.40	<i>Expiry date</i> 31 August 2014 16 November 2013
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
Company secretary

Date: 29 October 2013

Print name: Eva O'Malley

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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