AUSMON RESOURCES LIMITED
LIMITED

AUSMON RESOURCES LIMITED ***ABN 88 134 358 964***

Level 15, Suite 1502
370 Pitt Street
Sydney NSW 2000

T 61 2 9264 3100
F 61 2 9264 0099
E office@ausmonresources.com.au

ACTIVITIES REPORT- DECEMBER QUARTER 2012

Summary

- Prospecting and anomaly follow-up on Koonenberry ELs 6400, 6464, and 6424 and the gravity survey over Koonenberry EL 6424 (covers the Wertago copper diggings and Nutherungie silverfield) are planned for first half 2013.

- Work on Cumnock EL 6417, near Orange was minimised due to cropping issues. The Gumble sub-area remains a prime target for skarn-type Cu-Zn-Sn-Ag deposits.

- Seeking farm-in partners for Cobar ELs 6413 & 7564 (Pooraka) and EL 6416 (Mt Barrow) which contain drill ready gold and base metal targets.

ACTIVITIES IN THE KOONENBERRY BELT – Copper (Zinc) and Gold Exploration
ELs 6400, 6424, 6464 and 7691 - NSW (100%)

The Company holds a 100% interest in 4 ELs covering a total area of 639 sq kms in the highly prospective and under-explored Koonenberry Belt in Western NSW, near Broken Hill.

Detailed (1:1000 scale) fault delineation and lithological mapping in late 2011 led to the discovery of a new, south-east displaced, fault bounded slice of the line of lode, roughly one kilometer north of the Company's June 2011 drilling area. Lithological, fault line, and aeromagnetic evidence also pointed to further extensions to the west-north-west. Mapping and prospecting continued to locate new features, including narrow, late stage, cross-cutting veins exhibiting at surface as silicified ironstones. Portable XRF (Niton) field testing of these however detected the presence of Cu and Zn, as is also the case on Grasmere-Peveril line of lode.

The lode is considered to be structurally controlled, along a major fault, however given the highly deformed and altered nature of the host rocks, primary features may have been largely or entirely obliterated, which means a re-constituted Cyprus-type VMS seafloor origin cannot be ruled out**.** Microscopic studies have shown that higher grade Cu zones (shoots) are primary in nature, and not caused by near surface supergene enrichment. Lode extensions to the west-north-west now need to be more precisely located by mapping, and, where required, bedrock (air core) sampling. Potential lodes will then need to be tested by RC percussion and diamond drilling. The aim will be to confirm continuity, thicknesses and Cu contents of lodes to the west-north-west.

A detailed (170 or 340 station) gravity survey is planned for EL 6424 which covers the Wertago copper diggings and the Nutherungie silverfield. The latter is considered to be the epithermal cap above a possible deeper porphyry Cu system, and gravity data are required to hone deep drill targets.

EL 7691 (9 units) expired on January 20th 2013, and will be relinquished for lack of prospectivity. EL 6400 will expire at the end of March 2013, and the plan is to seek renewal with 50% area reduction. EL 6424 expires on May 26th 2013, and the plan is to seek renewal with 50% area reduction.

The field work in the Koonenberry project is planned for first half 2013 subject to weather permitting access.

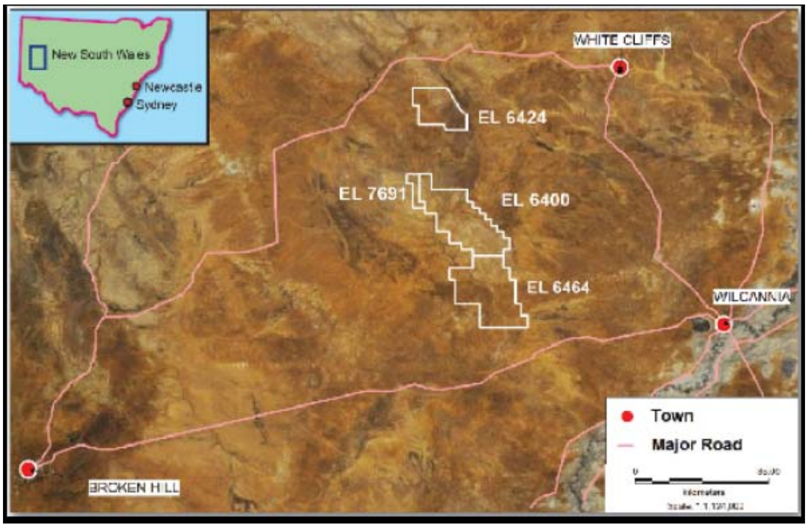

Figure 1 - Location map of Koonenberry Exploration Licences

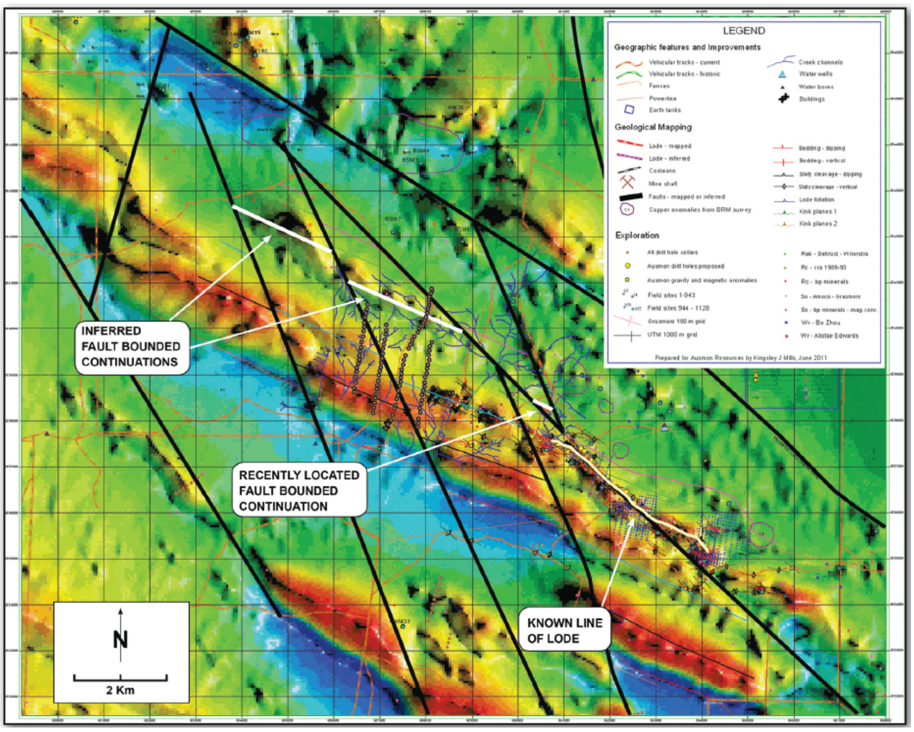

Figure 2 - EL 6400 – Probable WNW Extension to Grasmere Peverill Line of Lode

ACTIVITIES NEAR ORANGE- Gold, Silver and Base Metal Exploration
EL 6417-Cumnock- NSW (100%)

Drilling in prior periods considerably upgraded the potential of the Gumble sub-area. In particular "Anomaly A" (2 RC holes drilled in August 2011) was noted to be part of an extensive skarn system (caused by mineralising fluids from granitic intrusions reacting with limestones and associated host rocks) which is evident over 500+ metres. Elements concentrated are the same as those known in the nearby (historic) Delaney's Dyke mine i.e. Cu, Zn, Ag-Au, and Sn. Another 11 similar anomalies, labeled B to L, remain to be tested by RC percussion drilling—see Figure below. Most targets occur within the prospective Kabadah Formation.

EL 6417 is due for renewal, with 50% area reduction on May 15th 2013. Retained blocks will include those containing anomalies A to L.

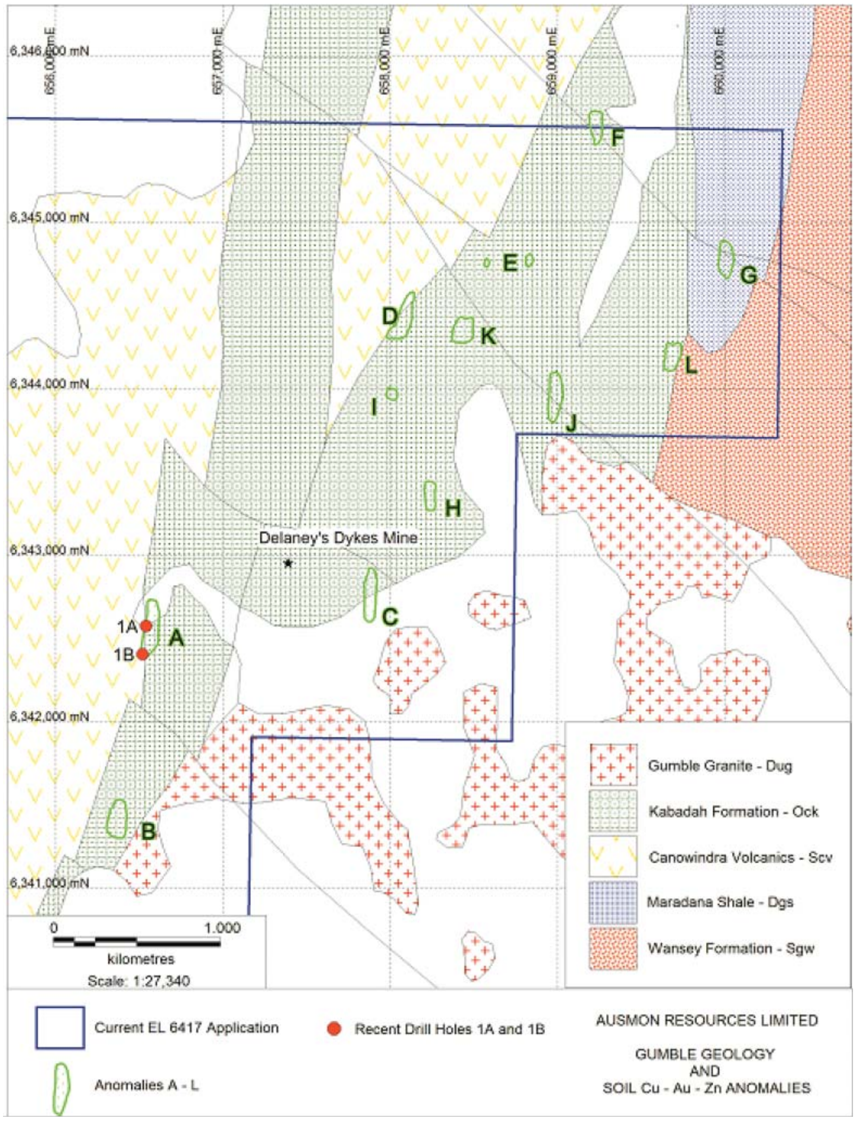

Figure 3 – EL 6417 - Gumble Geology and Soil Cu-Au-Zn Anomalies

ACTIVITIES NEAR COBAR - Gold, Silver and Base Metal Exploration
ELs 6413 and 7564, and EL 6416 – NSW (100%)

Cobar ELs 6413 & 7564 (Pooraka) and EL 6416 (Mt Barrow) contain drill ready gold and base metal targets based on the Company's prior periods exploration work. The Company is currently seeking joint venture partners to participate in funding a drilling program planned for first half 2013.

Renewal with 50% reduction for EL 7564, was submitted in June 2012, and ELs 6413 and 6416 are due for renewal with 50% area reduction on May 15th 2013.

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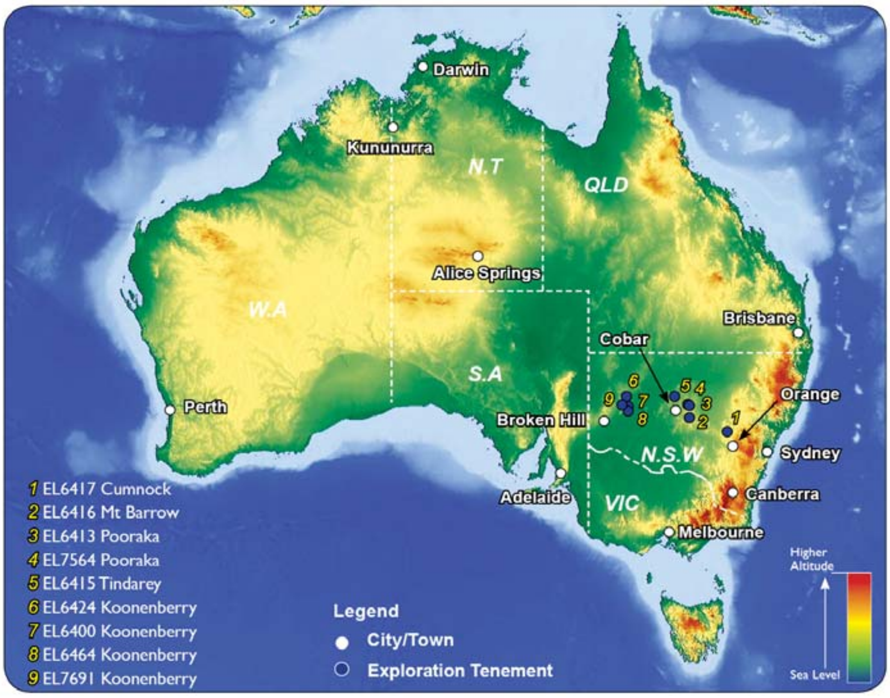

Licence Locations in New South Wales, Australia

The information in this report that relates to Exploration Results is based on information compiled by Dr Pieter Moeskops, the principal of Agaiva Holdings Pty Ltd and a member of The Australasian Institute of Mining and Metallurgy.

Dr Moeskops has sufficient experience that is relevant to the style of mineralization and type of deposit under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Dr Moeskops consents to the inclusion in this report of matters based on his information in the form and context in which it appears.)

John Wang
Director/Secretary - 30 January 2013

Rule 5.3

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

AUSMON RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
88 134 358 964	31 DECEMBER 2012

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation	(8)	(24)
	(b) development		
	(c) production		
	(d) administration	(71)	(178)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	2	2
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material) - GST	14	15
	Net Operating Cash Flows	**(63)**	**(185)**
	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	200	517
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other		
	(a) Security deposit paid	-	(50)
	(b) Security deposit refund	10	10
	Net investing cash flows	**210**	**477**
1.13	Total operating and investing cash flows (carried forward)	**147**	**292**

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	**147**	**292**
	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 (capital raising costs)		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	147	292
1.20	Cash at beginning of quarter/year to date	257	112
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	**404**	**404**

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	-
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	125
4.2	Development	
4.3	Production	
4.4	Administration	60
	Total	**185**

Note: Since the end of the June Quarter, the Company has disposed of some Available-for-Sale Financial Assets on market for cash to fund next quarter's cash outflows. The Company is also seeking to raise new equity capital to fund on-going operations.

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	137	237
5.2	Deposits at call	267	20
5.3	Bank overdraft		
5.4	Other (provide details)		
	Total: cash at end of quarter (item 1.22)	**404**	**257**

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				
6.2	Interests in mining tenements acquired or increased				

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**	74,499,125	74,279,125		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	**+Convertible debt securities** *(description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	One ordinary share per option 33,750,000 1,000,000	 33,750,000 -	*Exercise price* $0.80 $0.25	*Expiry date* 30 June 2014 30 June 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)*				

+ 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 give a true and fair view of the matters disclosed.

Sign here: .... Date: 30 January 2013
(Director/Company secretary)

Print name: John Wang

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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