

29 July 2015

QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2015

OVERVIEW

Ausgold Limited (“Ausgold”) successfully completed a Resource Development and Exploration drilling program at the flagship Katanning Gold Project (“KGP”), WA.

Proposal for a high energy fixed loop EM (FLEM) geophysical survey at Doolgunna Station project, within prospective Bryah Basin, WA.

HIGHLIGHTS

- Drilling at the KGP focused on the higher grade core of mineralisation within the known global JORC Resource and has delivered exceptional results.
- Better results included:
 - **20m grading 7.64 g/t Au** (from 96m) including **7m grading 18.36g/t Au** (96m) in BSRC0693;
 - **26m grading 5.18g/t Au** (from 49m) including **10m grading 10.48g/t Au** (60m) in BSRC0690;
 - **13m grading 5.51 g/t Au** (from 65m) in BSRC0683; and
 - **16m grading 5.22 g/t Au** (from 84m).
- SRK Consultants commissioned to complete JORC Resource estimate.
- Building on previous exploration and structural studies by SRK Consultants, exploration drilling to test for structural repetitions of mineralisation at White Dam, Jackson and Datatine is proposed.
- Proposal for a high energy fixed loop EM (FLEM) geophysical survey following an independent review of geophysics at the Doolgunna Station tenement. This is in light of Sandfire Resources exploration success at the Monty discovery (discovery hole of 16.5m grading 18.9% Cu and 2.1g/t Au) close to Ausgold’s tenement holding in the Bryah Basin, WA.
- Ausgold completed a capital raising to raise \$1.01 million, to fund further drilling at the KGP, to assess the use of “state of the art” geophysics at Doolgunna, and provide additional working capital.

The Company comments “we are extremely pleased with the exceptional drill results at the Katanning Gold Project which supports our ambition of establishing a high grade / low tonnage open pit mining operation at Katanning”.

“The recent Monty discovery highlights the prospectivity of the entire Bryah Basin stratigraphy to host massive sulphide (VMS) mineralisation”.

“With the proposed program, we are confident of improving the substantial 0.9Moz JORC resource at the highly prospective Katanning Gold Project, and are well positioned to start a Scoping Study, and at the same time to further explore Ausgold’s Doolgunna Station project”.

ASX CODE

AUC

DIRECTORS

Mr Robert Pett
Chairman / Non-Executive Director

Mr Stephen Thomas
Executive Technical Director

Mr Richard Lockwood
Non-Executive Director

Mr Denis Rakich
Executive Director/Company Secretary

REGISTERED OFFICE

Level 16, AMP Building
140 St Georges Terrace
Perth WA 6000

SHARE REGISTRY

Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

ISSUED CAPITAL (30.06.15)

Ordinary shares: 265m
Unlisted options: 19m

INVESTOR RELATIONS

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KATANNING GOLD PROJECT, WESTERN AUSTRALIA (AUC 100%)

Successful Completion of Drilling at Jinkas and Dingo Deposits

During the quarter, Ausgold successfully completed a total of 3,828m of drilling at the Jinkas and Dingo deposits which has delivered exceptional results (**Figures 1, 2 and 3, and Table 1**). The results confirm a substantial footprint of shallow gold mineralisation over a 700m strike length which remains open in a number of directions.

Re-Estimate of Current Global Resource

In light of the exceptional drilling results, Ausgold commissioned SRK Consultants to update the current resource estimate (42Mt grading 0.7g/t Au for 0.9Moz Au). Ausgold is currently updating resource wireframes (based on improved interpretation of mineralisation and lithological models) as a pre-cursor to a handover to SRK, who will carry out the resource estimate during the September quarter 2015.

Optimal sampling and assaying protocols used during the drilling program delivered a reliable data set for an updated resource estimate in accordance with JORC 2012 guidelines. Drilling used a powerful Schramm 685 Reverse Circulation (RC) drill rig to provide high quality samples (good sample recovery and dry samples) at the Jinkas and Dingo deposits.

Drill hole spacing has been generally 40x40m and 20x20m spaced in the mineralised zones at Jinkas and Dingo, providing for increased confidence in measured and indicated resource categories. Drilling 'gaps' in the existing models in addition to high quality twin-hole drilling, also resulted in higher confidence in grade continuity and distribution. Understanding grade distribution and continuity contributes to the development of reliable resource models.

Ausgold expects that the updated resource estimate will deliver a higher grade, low tonnage Global resource position and provide a platform for a scoping study on open pit development at Katanning.

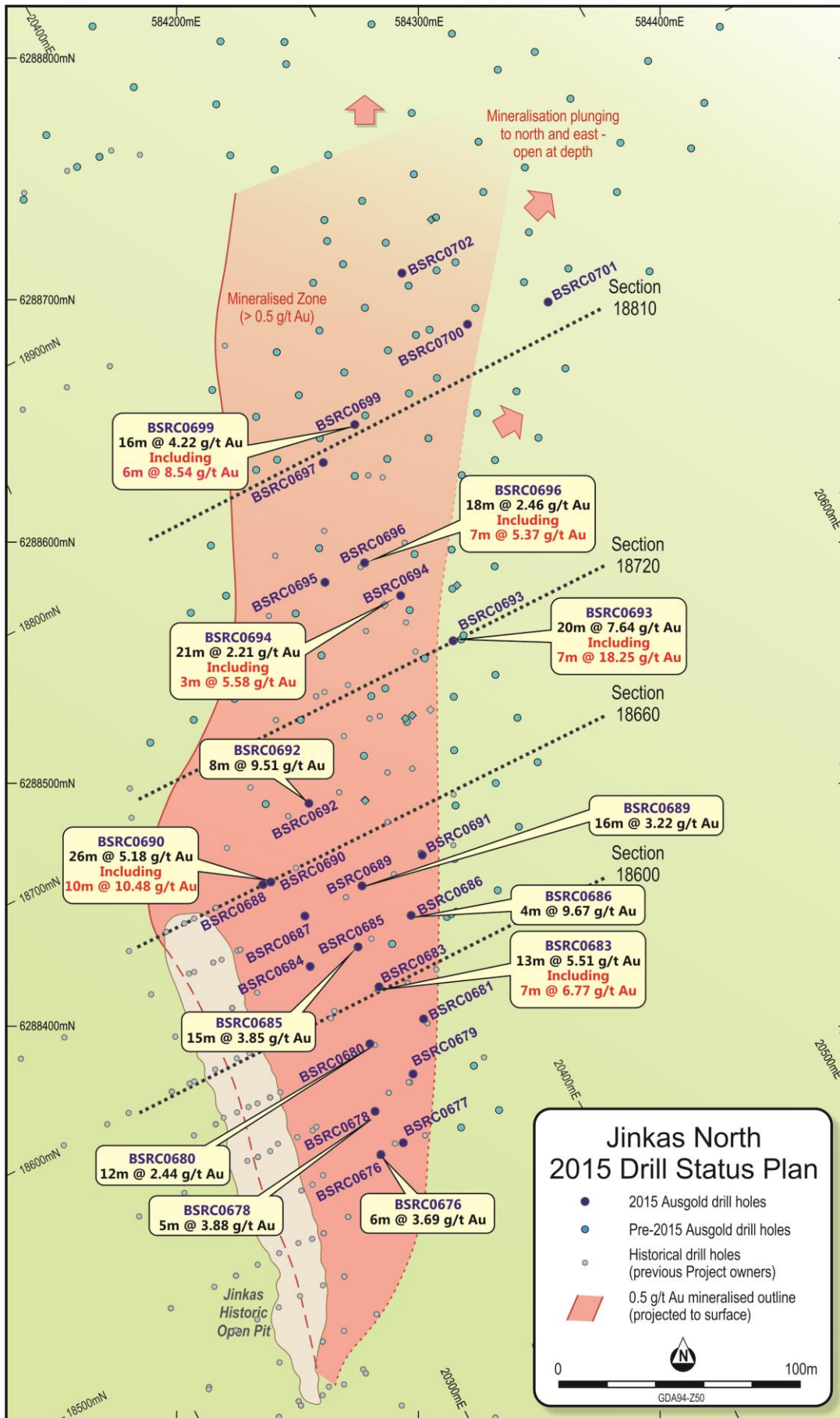


Figure 1 - Schematic plan view of Jinkas showing location of RC drilling

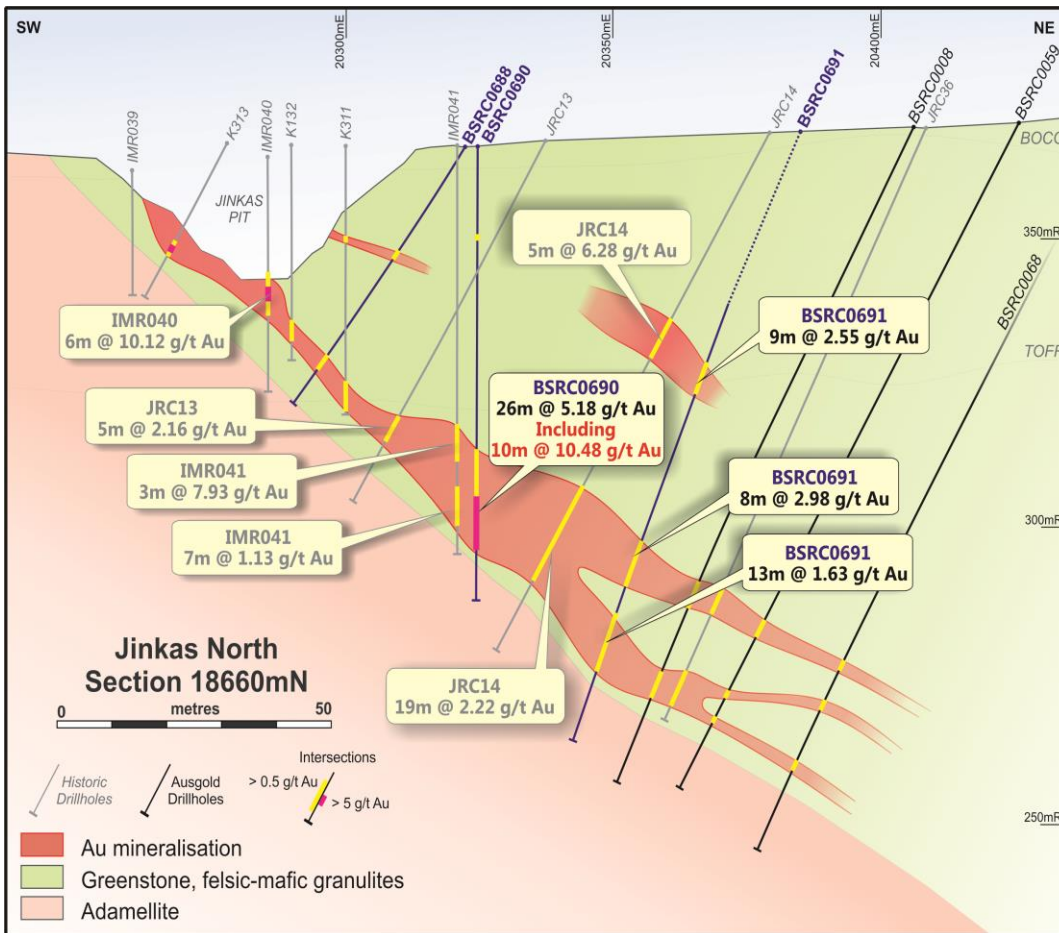


Figure 2 - Schematic cross section line 18660mN

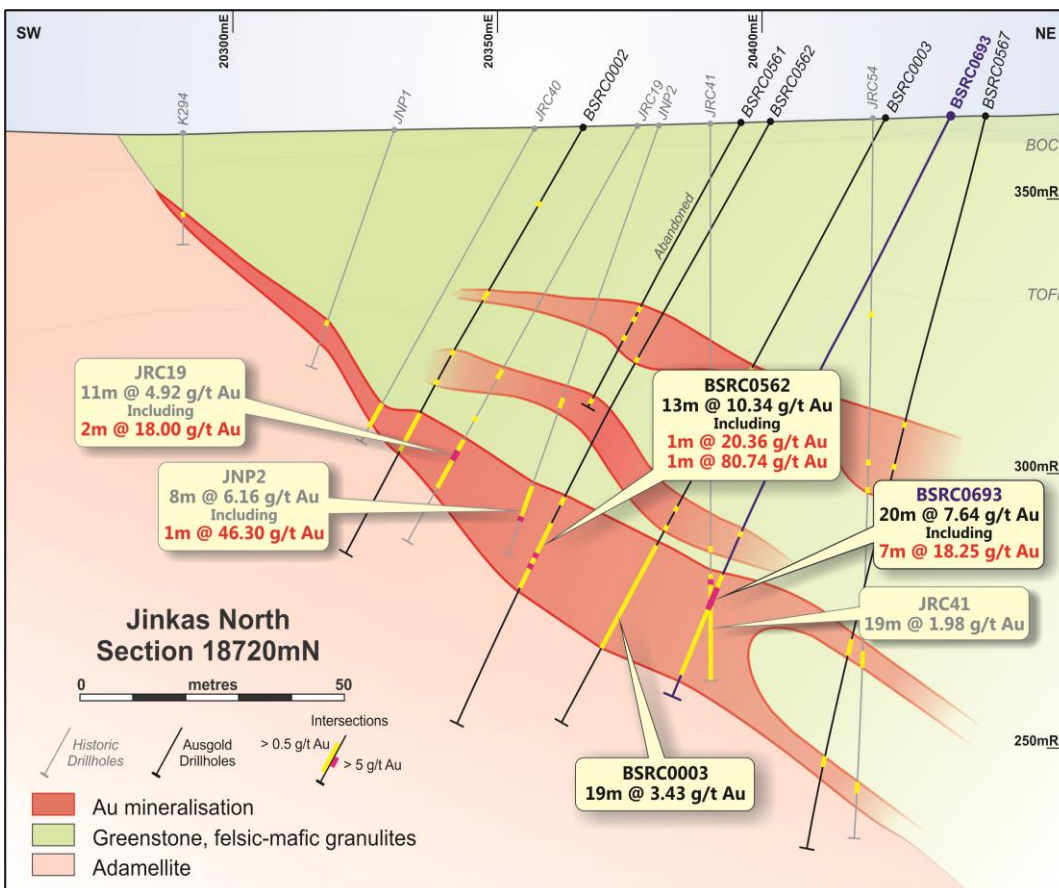


Figure 3 - Schematic cross section line 18720mN,

Proposed Work Programs at KGP Going Forward

Building on previous Ausgold exploration and structural studies by SRK (and others^{1,2,3,4}) further drilling programs to test for structural repetitions of mineralisation at White Dam, Jackson, Jinka West and Datatine are proposed. These zones of mineralisation have the potential to expand the footprint of higher grade mineralisation at the KGP.

White Dam is located approximately 80m below (and within in the “footwall”) of the main Jinkas zone. Previous Ausgold drilling on this zone has intersected mineralisation over a 300m strike length; with intersections including 24m grading 1.96g/t Au (from 121m) including 12m grading 3.62g/t Au (121m) in BSRC0434, 10m grading 7.86g/t Au (81m) in BSRC0435 and 16m grading 3.38g/t Au (133m) in BSRC0436.

During 2014, Ausgold commissioned SRK to complete a study and reappraisal of the geology, structure and mineralisation at the KGP to provide an improved understanding of the geometry and controls of gold mineralisation, and a basis for the identification of new exploration targets.

The study suggests mineralisation may be situated in the hinges of isoclinal folds identified from detailed airborne magnetic data flown for Ausgold in late 2012 and SRK structural analysis of drill hole core; e.g. White Dam, Lone Tree, Jinkas, and Dingo prospect areas. The study identifies the northernmost prospect (Datatine) and the Jinkas West target as containing the same gneiss units as the Jinkas – Dingo trend. The SRK study is strongly supported by recent Ausgold geological and grade modelling as a result of the recent drilling appraisal and preparation for an updated resource estimate.

Formal Program of Works (PoW) for these drilling programs are being finalised (which were subject to Heritage clearance) and submitted to the Department of Mines and Petroleum (“DMP”) for approval.

DOOLGUNNA STATION, WESTERN AUSTRALIA (AUC 100%)

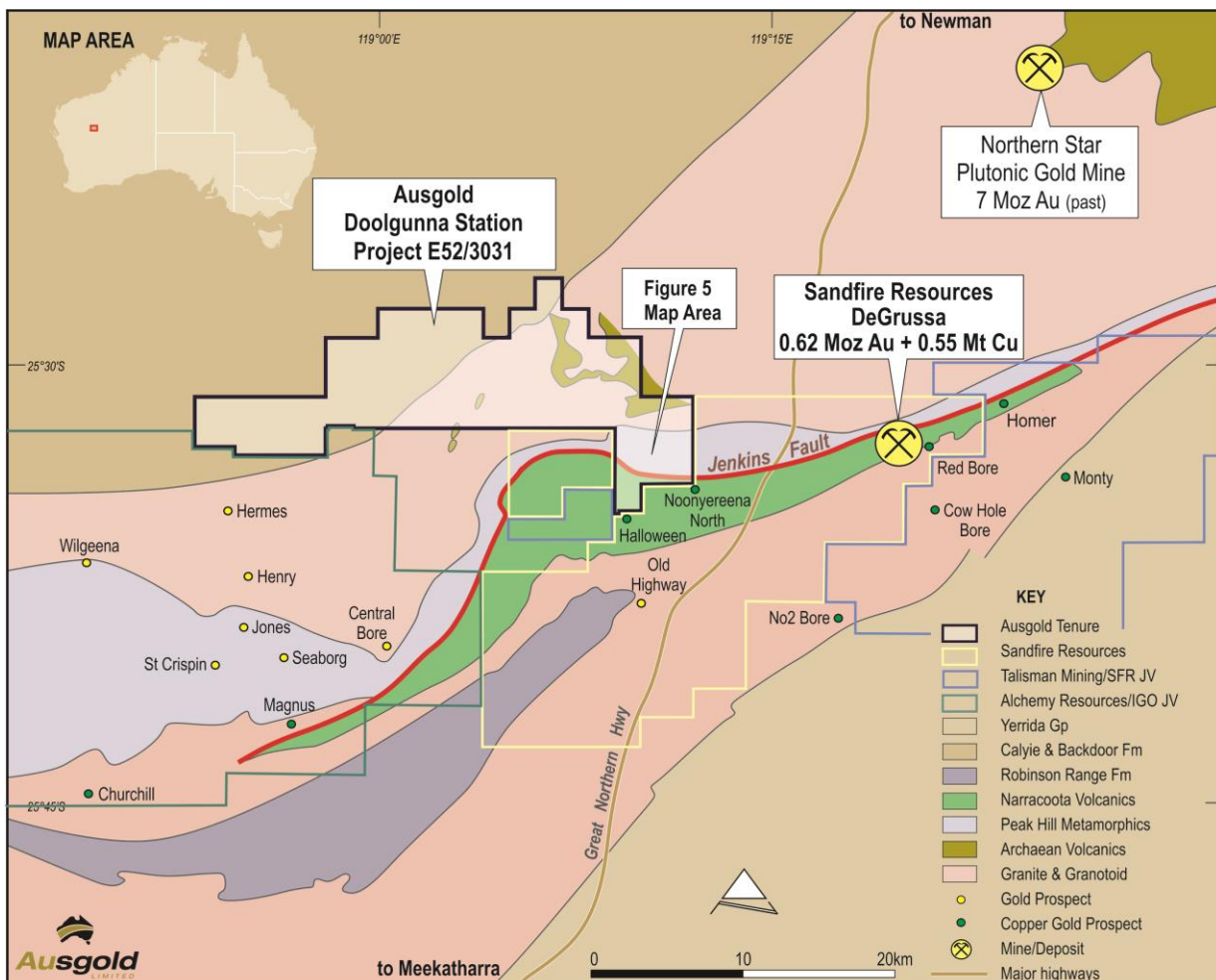


Figure 4 - Location plan of Ausgold's Doolgunna Station tenements in Bryah Basin

Geophysical surveys – Review and Proposal for Further Work

During the quarter Ausgold commissioned Precision Geophysics Pty Ltd to carry out an independent review of geophysical surveys carried out at its Doolgunna Station project in the Bryah Basin, WA. This was prompted by the recent exploration success at the Monty discovery within the Sandfire Resources (ASX.SFR) / Talisman Mining (ASX.TLM) Springfield JV project, WA. The findings of this review are set out in a previous market release (ASX Announcement – 20 July 2015).

The Monty massive sulphide discovery is 10km from Sandfire’s DeGrussa copper mine and approximately 23km from Ausgold’s Doolgunna Station tenement (E52/3031) (**Refer Figure 4**). The DeGrussa project itself lies 13km east of Ausgold’s tenement.

The discovery holes at the Monty discovery include diamond drill holes TLDD0004 (16.5m grading 18.9% Cu and 2.1g/t Au, from 409.5m) and TLDD0005 (9.2m grading 11.8% Cu and 2.9g/t Au from 417m) and highlight the potential for discovery of high grade copper-gold sulphide mineralisation in favourable VMS stratigraphy throughout the entire Bryah Basin, and outside the immediate DeGrussa mine environment.

Based on recommendations from the review, Ausgold is proposing follow-up work, including a high energy fixed loop (FLEM) geophysical survey of the south east corner of the Doolgunna Station tenement adjacent to Sandfire’s Noonyereena VMS Prospect (**refer Figure 5**). Modern FLEM geophysical technology has been successful in leading Sandfire into favourable stratigraphy which hosts the Monty discovery and Homer prospect and in identifying drill targets.

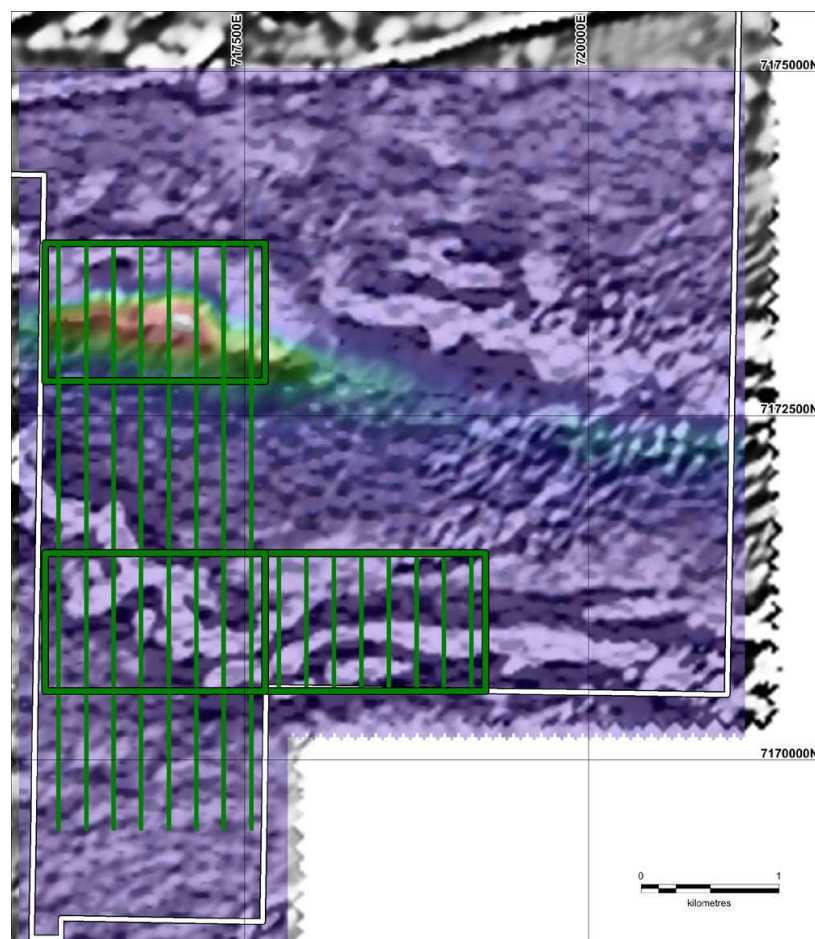


Figure 5 –Recommended FLEM survey layout and coverage over main VTEM anomaly (colour image) and prospective VMS corridor (magnetic greyscale image) in south-east corner tenement E52/3031.

Gold potential of Doolgunna Station tenement

The central part of Ausgold's Doolgunna Station tenement (E52/3031) covers the south west of the Marymia Inlier and Peak Hill Schist, which hosts the prolific Peak Hill gold mining region and a number of economically significant gold deposits including Northern Star's Plutonic gold operations. Northern Star (ASX.NST) recently completed a transaction to secure Alchemy Resources (ASX.ALY) Hermes gold deposits just to the south of Ausgold's tenement.

Based on WA geological survey department mapping and Ausgold / SRK aeromagnetic interpretation, the Peak Hill schist appears to represent the highly deformed and mylonitised south-western end of the Archaean Marymia Inlier (which hosts the significant Marymia and Plutonic Au deposits). The Peak Hill region has historically produced in excess of 2 million ounces of gold, with the Peak Hill mining centre itself producing 850,000 ounces.

YAMARNA, WESTERN AUSTRALIA (AUC 100%)

The Yamarna project is located approximately 125 kilometres north-east of Laverton in central Western Australia on Exploration Licences ("EL") 38/2129 and 38/2863. The EL's comprise approximately 300 square kilometres of prospective ground over the eastern-most Yamarna Archaean greenstone belt of the Yilgarn Craton.

The historic Jutson Rocks and Chapman's Reward gold mines are situated southeast of the Project (E38/2129) and copper and nickel sulphide mineralisation was discovered by Ausgold at Winchester prospect in 2010 when a number of electrical geophysical anomalies were tested by RC drilling. These include:

- 31m @ 0.58% Cu, & 0.35% Ni (From 29m)
- 21m @ 0.63% Cu, 0.20% Ni and 0.02% Co (from 88m); and
- 28m @ 0.50% Cu, 0.21% Ni and 0.02% Co (from 99m);

A review of the VTEM targets established that further drilling at the Winchester prospect is warranted.

CRACOW, QUEENSLAND (AUC 100%)

Ausgold holds tenements over approximately 500 square kilometres in the Cracow region, approximately 375km north-west of Brisbane.

The tenements cover extensive areas of prospective Camboon Volcanics, which host to the high-grade epithermal +1 million ounce Au-Ag Cracow gold system. Exploration to date at Cracow has included geological mapping, stream sediment sampling and follow-up by soil geochemical sampling of target areas.

CORPORATE

During the quarter, Ausgold completed a capital raising to raise \$1.01 million by the issue of 28.6 million shares at an issue price of 3.5 cents each. Proceeds are to be used to fund the Company's drilling program at the Katanning Gold Project and provide additional working capital.

TABLE 1. Anomalous gold values from the April RC drilling at the KGP (*GDA 1994 MGA Zone 50)

Project	Hole ID	Northing*	Easting*	Dip	Azimuth	From (m)	To (m)	Interval (m)	Au (ppm)
Jinkas	BSRC0676	6288347	584285	-55	245	17	21	4	0.95
						57	63	6	3.69
Jinkas	BSRC0677	6288351	584294	-75	244	67	72	5	0.74
Jinkas	BSRC0678	6288364	584282	-60	243	60	65	5	3.88
Jinkas	BSRC0680	6288392	584280	-55	243	55	67	12	2.44
Jinkas	BSRC0683	6288416	584284	-60	247	31	33	2	1.89
						65	78	13	5.51
						including	65	72	7
Jinkas	BSRC0684	6288424	584256	-60	248	49	55	6	1.54
Jinkas	BSRC0685	6288433	584276	-60	248	59	74	15	3.85
Jinkas	BSRC0686	6288446	584297	-60	249	76	80	4	9.67
						86	90	4	1.39
Jinkas	BSRC0687	6288445	584253	-60	246	50	54	4	1.59
						59	61	2	1.17
Jinkas	BSRC0688	6288458	584237	-56	248	43	48	5	0.93
Jinkas	BSRC0689	6288458	584277	-60	243	43	48	5	1.78
						63	79	16	3.22
Jinkas	BSRC0690	6288459	584239	-90	0	13	17	4	0.67
						49	75	26	5.18
						including	60	70	10
Jinkas	BSRC0691	6288471	584302	-60	243	44	53	9	2.55
						74	75	1	1.06
						79	103	24	1.90
Jinkas	BSRC0692	6288492	584255	-60	243	60	68	8	9.51
Jinkas	BSRC0693	6288560	584315	-60	243	96	116	20	7.60
						including	96	103	7
Jinkas	BSRC0694	6288578	584293	-65	243	85	106	21	2.21
Jinkas	BSRC0695	6288584	584262	-60	243	76	84	8	2.11
Jinkas	BSRC0696	6288592	584278	-90	0	49	51	2	4.51
						58	65	7	0.69
						89	107	18	2.46
						including	89	96	7
Jinkas	BSRC0697	6288633	584261	-60	243	43	44	1	1.30
						78	80	2	1.34
						89	93	4	1.97
Jinkas	BSRC0699	6288649	584274	-60	248	40	42	2	2.56
						52	54	2	3.14
						84	100	16	4.22
						including	93	99	6
Jinkas	BSRC0700	6288691	584321	-60	243	112	113	1	1.87
						116	129	13	1.88

Project	Hole ID	Northing*	Easting*	Dip	Azimuth	From (m)	To (m)	Interval (m)	Au (ppm)
Jinkas	BSRC0701	6288700	584354	-60	443	95	98	3	1.22
						121	126	5	0.57
						140	143	3	0.69
						153	154	1	1.54
Jinkas	BSRC0702	6288712	584294	-65	243	66	69	3	0.71
						108	112	4	1.46

Dingo	BSRC0642	6284296	585657	-90	0	75	100	25	1.56
Dingo	BSRC0643	6284356	585507	-90	0	15	20	5	1.05
Dingo	BSRC0644	6284415	585540	-60	243	42	44	2	1.26
						48	50	2	2.88
Dingo	BSRC0645	6284469	585579	-70	243	68	74	6	0.96
Dingo	BSRC0646	6284504	585550	-75	243	42	47	5	1.38
						66	78	12	0.98
						84	88	4	3.83
Dingo	BSRC0647	6284513	585517	-60	243	13	15	2	1.24
						22	29	7	0.90
						53	68	15	1.75
						including	53	58	5
Dingo	BSRC0651	6284606	585468	-60	243	45	54	9	0.92
						63	65	2	0.88
Dingo	BSRC0654	6284634	585413	-90	0	43	51	8	1.25
Dingo	BSRC0655	6284644	585383	-55	243	17	35	18	0.78
Dingo	BSRC0658	6284653	585398	-65	243	38	42	4	0.79
Dingo	BSRC0659	6284659	585372	-55	243	25	32	7	1.43
Dingo	BSRC0660	6284685	585379	-60	243	28	29	1	1.85
						41	43	2	1.45
						48	49	1	1.09
Dingo	BSRC0661	6284693	585357	-55	243	25	34	9	0.64
Dingo	BSRC0662	6284693	585357	-55	243	9	20	11	0.77
Dingo	BSRC0663	6287970	584421	-90	0	38	43	5	1.28

ABOUT AUSGOLD

Background to the Company

Ausgold is an exploration and development Company based in Perth, Western Australia. Ausgold was listed in 2009 to target and discover new gold and copper deposits in underexplored terrains in Australia. Based on targeting by the Centre for Exploration Targeting, affiliated with the University of Western Australia and Curtin University of Western Australia, the Company acquired or applied for tenements covering 17,500 km² of ground prospective for gold and copper (**Figure 6**).

Ausgold's flagship project is the Katanning Gold Project ("KGP") located 275 kilometres southeast of Perth, Western Australia. Ausgold holds over 2,000 km² and a dominant ground position in this relatively under-explored Archean greenstone belt.

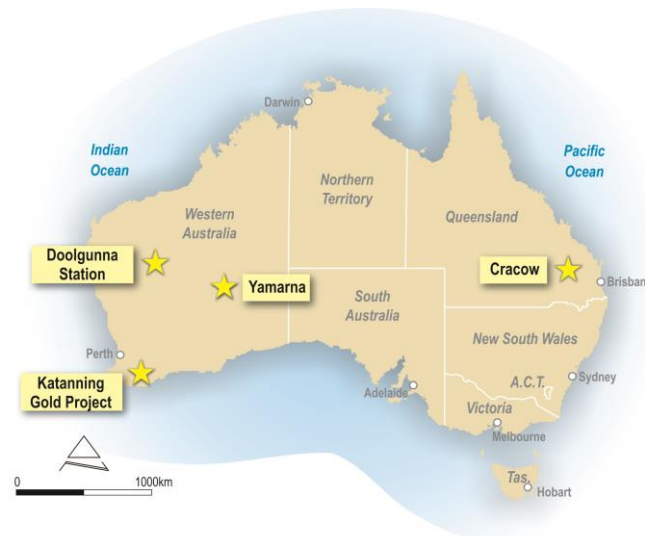


Figure 6 - Location plan of Ausgold's

Current Global JORC Gold Resource

Ausgold has released an initial JORC resource estimate of 10.4mt grading 1.21g/t Au (containing 403,000oz Au). This resource has been estimated down to approximately 150m below surface, with a view to delineating shallower resources which are potential amenable to open cut mining. (**Table 2**)

Table 2 - Katanning Gold Project gold resource estimate was completed by MPR Geological Consultants Pty Ltd ("MPR") who provided estimates at a variety of cut-off grades from 0.3g/t to 1.0g/t Au.

CUT OFF AU G/T	MEASURED		INDICATED		INFERRED		TOTAL		
	MT	AU G/T	MT	AU G/T	MT	AU G/T	MT	AU G/T	AU KOZ
0.3	2.56	0.89	13.1	0.72	26	0.6	41.7	0.66	878
0.4	2.03	1.03	9.54	0.86	16	0.7	27.6	0.78	691
0.5	1.64	1.17	7.22	0.99	10	0.8	18.9	0.90	549
0.6	1.33	1.32	5.54	1.13	7	1.0	13.9	1.08	483
0.7	1.08	1.47	4.28	1.27	5	1.1	10.4	1.21	403
0.8	0.90	1.61	3.37	1.41	4	1.2	8.3	1.33	354
0.9	0.75	1.76	2.71	1.55	3	1.3	6.5	1.46	303
1.0	0.64	1.91	2.22	1.68	2	1.5	4.9	1.64	256

Strategy at KGP

In April 2015, Ausgold completed a 3,828m RC drilling program focused on the higher grade sections of the current global resource (~0.9Moz Au). Ausgold strategy at the KGP is to deliver an updated resource estimate (in accordance with JORC 2012 guidelines) and continue regional exploration in its dominant ground position. An updated resource should allow the commencement of preliminary Scoping Studies towards potential mine development.

The information in this report that relates to Exploration Results is based on information compiled by Mr Stephen Thomas and Miss Melanie Sutterby, who are Members of the Australasian Institute of Mining and Metallurgy and have sufficient experience relevant to the style of mineralisation under consideration and to the activity which they undertake to qualify as Competent Persons as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Thomas and Miss Sutterby consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Jonathon Abbott of MPR Geological Consultants Pty Ltd. Mr Abbott is a Member of the Australian Institute of Geoscientists ('AIG') and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr Abbott consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

- 1 Blackburn, G.V., Fradd, J.F., Mazzucchelli, R.H., and Schupp, J.W., 1990. Badgebup [Katanning] Gold Deposits, in *Geology of the Mineral Deposits of Australia and Papua New Guinea* (Editor F.H. Hughes), pp. 177-180 (AusIMM. The Minerals Institute. Monograph 14 1990).
- 2 Greentree, M. *Exploration Targeting and Review of the Katanning Gold Project, in Internal Report to Ausgold Ltd September 2013 (Reviewed B.D. Waele) (SRK Consulting (Australasia) Pty Ltd 2013).*
- 3 Greentree, M., and Cairns, D. *The Katanning Gold Project – New Insights into the Controls on High-Grade Gold Mineralisation in the Southwest Terrain, Western Australia, in Gold14@Kalgoorlie International Symposium, pp. 37-40 (Australian Institute of Geoscientists and Geoscientists Symposia. Proceedings 2014).*
- 4 Esplin, T., Cutts, T., Labuschagne, J., et al, in *Newmont Boddington Gold, Newmont, in Australasian Mining and Metallurgical Operating Practices (The Maurice Mawby Memorial Volume. Editor J.R.Rankin, Project Leader R.Burns), pp. 1191-1206 (AusIMM. The Minerals Institute. Monograph 28 2013).*

CONTACT DETAILS

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W: www.ausgoldlimited.com

INTEREST IN MINING TENEMENTS

State	Lease	Lease status	Project	Interest %
Western Australia Tenements				
WA	E38/2129	Granted	Yamarna	100%
WA	E38/2863	Granted	Yamarna	100%
WA	E52/3031	Granted	Doolgunna Station	100%
WA	E70/3952	Granted	Katanning Regional	100%
WA	E70/3955	Granted	Katanning Regional	100%
WA	E70/3957	Granted	Katanning Regional	100%
WA	E70/3958	Granted	Katanning Regional	100%
WA	E70/4047	Granted	Katanning Regional	100%
WA	E70/4061	Granted	Katanning Regional	100%
WA	E70/4392	Granted	Katanning Regional	100%
WA	E70/4393	Granted	Katanning Regional	100%
WA	E70/4566	Granted	Katanning Regional	100%
WA	E70/4604	Granted	Katanning Regional	100%
WA	E70/4605	Granted	Katanning Regional	100%
WA	E70/2928	Granted	Katanning Gold Project	100%
WA	G70/84	Granted	Katanning Gold Project	100%
WA	G70/85	Granted	Katanning Gold Project	100%
WA	L70/13	Granted	Katanning Gold Project	100%
WA	L70/32	Granted	Katanning Gold Project	100%
WA	L70/33	Granted	Katanning Gold Project	100%
WA	M70/210	Granted	Katanning Gold Project	100%
WA	M70/211	Granted	Katanning Gold Project	100%
WA	M70/488	Granted	Katanning Gold Project	100%
Queensland Tenements				
QLD	EPM17054	Granted	Cracow	100%
QLD	EMP17059	Granted	Cracow	100%

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, 17/12/10, 1/5/13

Name of entity

AUSGOLD LIMITED

ABN

67 140 164 496

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date 12 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	(527)	(941)
(b) development	-	-
(c) production	-	-
(d) administration	(182)	(670)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid / R&D tax credit refund (net)	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(706)	(1,596)
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 (security deposit / bond)	-	23
Net investing cash flows	-	23
1.13 Total operating and investing cash flows (carried forward)	(706)	(1,573)

		Current quarter \$A'000	Year to date 12 months \$A'000
1.13	Total operating and investing cash flows (brought forward)	(706)	(1,573)
Cash flows related to financing activities			
1.14	Net proceeds from issues of shares, options, etc.	1,264	1,264
1.15	Proceeds from sale of 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		1,264	1,264
Net increase / (decrease) in cash held		558	(309)
1.20	Cash at beginning of quarter/ year to date	103	970
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	661	661

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	35
	Aggregate amount of loans to the parties included in item 1.10	-

Explanation necessary for an understanding of the transactions

Fees paid to related entities

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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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

--

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	200
4.2 Development	-
4.3 Production	-
4.4 Administration	175
Total	375

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	661	103
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22)	661	103

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	E70/3344	Beneficial Holder	100%	0%

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
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)	Amount paid up per security (see note 3)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	265,265,819	265,265,819		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	28,600,000 5,805,027	28,600,000 5,805,027	\$0.035 \$0.05	\$1,001,000 \$290,251
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	500,000 500,000 1,500,000 100,000 14,000,000 2,900,000	- - - - - -	<i>Exercise price</i> \$1.45 \$1.38 \$1.57 \$0.45 \$0.09 \$0.07	<i>Expiry date</i> 01 Jul 2015 6 Dec 2015 27 Feb 2016 2 Oct 2015 31 Jan 2017 31 Dec 2017
7.8 Issued during quarter	2,900,000	-	\$0.07	31 Dec 2017
7.9 Exercised during quarter	5,805,027	5,805,027	\$0.05	15 May 2015
7.10 Expired during quarter	71,139,681	71,139,681	\$0.05	15 May 2015
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

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 gives a true and fair view of the matters disclosed.



Sign here: Date: **29 July 2015**

Director

Print name: **Denis Rakich**

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 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 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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