



Quarterly Activities Report For the Quarter Ended 30 September 2012

Nacimiento Exploration

Los Pinos Lode Mining Claims, Sandoval County, New Mexico

During the quarter the company has engaged a land management team in the USA to employ local contractors to undertake work on the Los Pinos Lode Mining Claims (“Project”). A staking contractor has also been engaged to re-peg the Los Pinos 1-51 Lode Claims (+/-510 ha) in New Mexico within the next few weeks. This will consist of relocation of boundaries, re-staking, repapering and recording in the BLM New Mexico State Office in Santa Fe, New Mexico.

The Coffey Mining report (2009) identified that the Los Pinos claim block is regarded, in terms of exploration potential for Cu and U, as the most interesting of the claim blocks held by the Company. The Nacimiento Uplift region also contains a number of mostly small copper occurrences and two historic mines. Both deposits are sandstone hosted red bed-type, hosted by the Triassic Aqua Zarca Member formation of the Chinle Formation. The Company has decided to concentrate the work program solely on the Los Pinos blocks, letting the Aranda and Coyote blocks lapse. The Los Pinos area is subject to specific property access and site conditions; one of which is that it appears that part of the block is staked over private land requiring ongoing negotiations with owners to allow access and exploration on these parts of the property.

The revised exploration program for the Project will comprise of three stages:

STAGE ONE:

- A. Peg the open area between the Los Pinos Lode Claim block and the San Miguel Mine. The property comprises 51 unpatented lode mining claims covering 1,120 acres.

STAGE TWO:

Fly a low level helicopter airborne mag/radiometric survey over the Nacimiento trend looking for lookalikes similar to Olympic Dam/ABRA. The results will identify non-outcropping anomalies and indicate additional targets to acquire by pegging, thereby eliminating competition.

- A. Conduct a detailed ground gravity survey based on mag/radiometric targets.
- B. Hire a geological grad student from New Mexico Institute of Mining and Technology in Socorro, New Mexico, who under supervision will:
 - 1. Conduct a geological literature and well log search after completing interpretation of the regional airborne mag/radiometrics survey on the areas of interest; and
 - 2. Prepare geological reports and assist in permit applications.

STAGE THREE:

- Design, permit, and conduct drilling programs on targets based on mag/radiometric/gravity/literature search; and
- Prepare reserve reports and any other necessary documentation.



Lithium Project, Argentina

Further to the announcement of the 20th March 2012, The Company has been unable to satisfy its due diligence requirements on the Lithium Project in North Western Argentina. Therefore the Board has decided not to proceed with the proposed Lithium Project. The company is currently determining its position to recover the deposit paid to the vendors.

Corporate

The company had sought shareholder approval via an EGM to convert convertible loans in order to raise up to \$1,500,000.00. Subsequent to the end of the quarter the Shareholder meeting was held and resolutions carried in favour of the conversions. The company anticipates further funds to be raised as it continues to develop the Nacimiento Project in New Mexico as well as looking for other opportunities to provide additional shareholder value. The company also has some \$254,000.00 in marketable securities, details of which were disclosed as available-for-sale investments in the Company's 2012 Annual Report.

The company has also been approached for land access rights to its E45/2475 tenement. The company is currently reviewing the application and will announce any decision as to the outcome of the negotiations with the interested parties. It is anticipated to complete the process by the 30th November 2012.

Yours faithfully

A R Hamilton
Executive Director
Leopard Resources N.L