INTEGRATED RESOURCES
GROUP LIMITED

Quarterly Report
Ending 30 June 2014

NEW COPPER EXPLORER IN ZAMBIA

Highlights

- **Kalengwa farm-in agreement finalised**
- **Environmental reports submitted for exploration programs**
- **Experienced in-country / exploration manager commences employment with IRG**
- **Desktop studies and re-logging of historical diamond drill hole cores commenced**
- **Project drill ready in 2014**

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Quarterly Activities Report
For the three months ended 30 June 2014

During the June 2014 quarter, Integrated Resources Group Limited (ASX: IRG, "IRG", "the Company") has completed its transition to become the newest Zambian copper exploration company on the ASX, with its focus now on the Kalengwa Copper Project.

The Company is pleased to provide a report on its activities for shareholders.

KALENGWA COPPER PROJECT

"During this quarter the Company has completed a number of key steps to transition itself to a Zambian copper exploration company and now looks forward to developing its key projects for the benefit of shareholders." – Michael Edwards, CEO

- **Joint Venture Agreement Finalised**

On 4 February 2014, the Company announced that it had entered into a Heads of Agreement with Zambian vendor GN Mining Limited to farm into the Kalengwa Copper Projects.

During the quarter, all the preconditions of the Heads of Agreement were finalised, including receiving consent from the Zambian Minister for Mines, and the Company executed a formal joint venture agreement for the Kalengwa Copper Projects with the vendors.

IRG has paid an exclusivity fee of US$50k in December 2013 to the vendor and a signing fee of US$120k in May 2014.

The Joint Venture agreement provides for IRG to earn up to a 85% interest in the Kalengwa Projects through exploration expenditure on the projects over two milestones:-

- US$325,000 within 12 months to earn 51%; followed by
- A further US$500,000 by 30 November 2016.

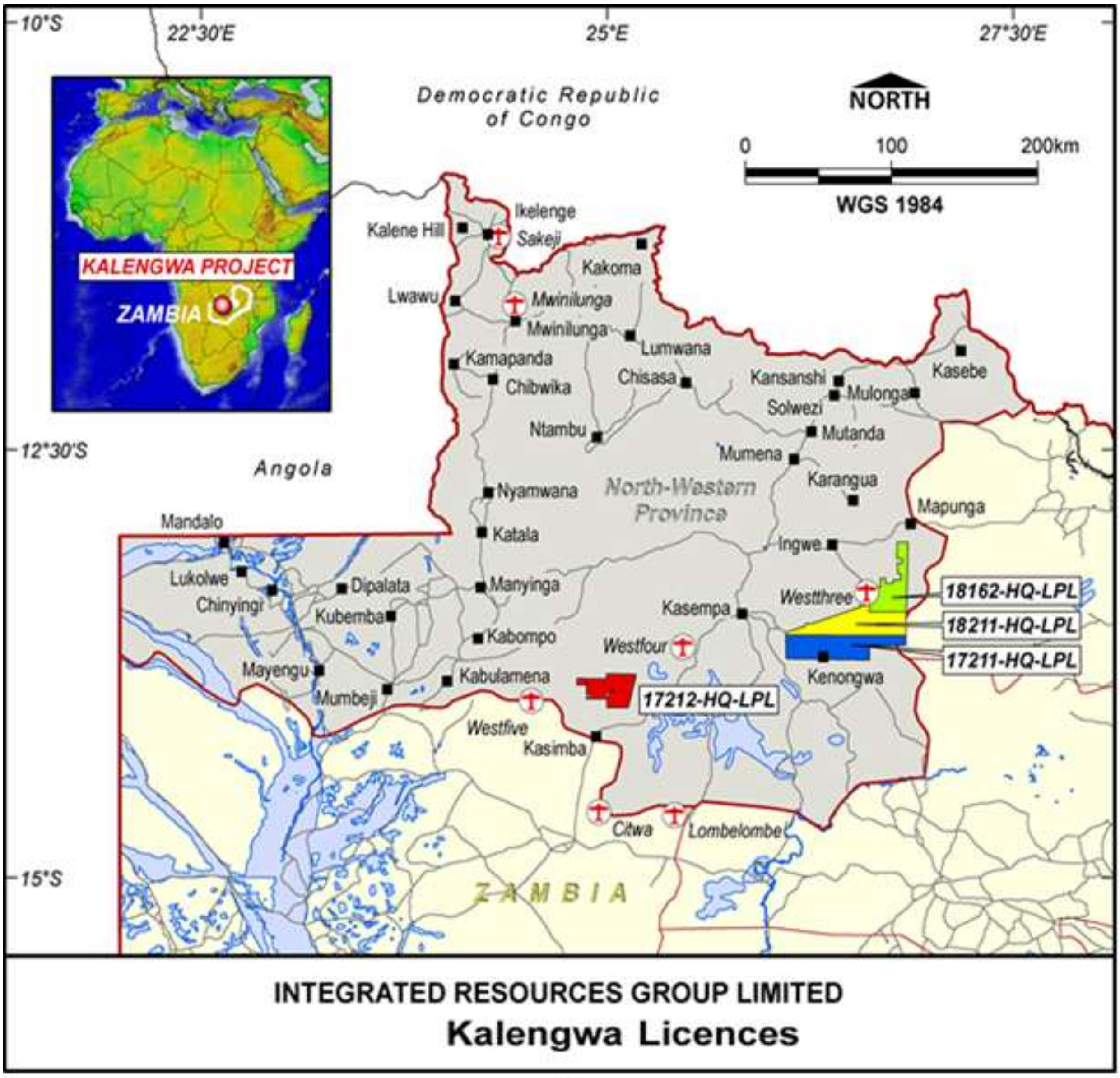
Following this, the remaining 15% project interest may be retained by the vendor by contributing to expenditure or the interest may be acquired by IRG through standard dilution arrangements or via a purchase at an independent valuation price.

The Company also finalised the incorporation of the Zambian joint venture company and the Kalengwa permits are now being transferred to this company.

- **Environmental Approvals Advanced**

  During the quarter Company management, in conjunction with Zambian consultants, have progressed the necessary environmental approval process for exploration on the Kalengwa projects through submission of Environmental Project Brief (EPB) reports with the Zambian Environmental Management Agency (ZEMA).

  Management subsequently received initial comments on the EPB reports from ZEMA staff and has resubmitted these reports with ZEMA. The next step will be a field trip by ZEMA staff, with final approvals expected by the end of July.



Map of the north west province of Zambia showing the Kalengwa Permits

- **Zambian Presence Established**

  The Company has also established a critical in-country presence through the lease of a small in-country exploration office. Details are:-

  Plot No 9722/C Central Street,
  Jesmondine, Lusaka

  P   +260 976 448 530

- **Local Manager Appointed**

  During the quarter the Company appointed a highly experienced Zambian Exploration Manager, Mr Nathan Sabao.

  Nathan has extensive Zambian exploration experience which includes employment as the Master Geologist at Vale's subsidiary where he was responsible for project generation.

  Further, Nathan has worked for BHP Billiton where he was responsible for exploration target testing and project evaluation of BHP's DRC portfolio as well as involvement in the Konkola Copper Mine's Nchanga open pit extension project and Albidon's Zambian nickel projects while employed at the Zambian consultancy firm Geoquest.

  Mr Sabao is a graduate of the University College Cork in Ireland.

Mr Nathan Sabao

IRG management is confident that Nathan's local knowledge and in-country contacts will greatly assist the Company in the development of the Kalengwa Projects and securing other prospective projects in Zambia.

- **Historical Data Review & Desktop Studies Commenced**

  A review of the extensive historical exploration database on the Kalengwa South Project has commenced, which comprises 21 diamond drill holes and 420 RAB & percussion holes. As part of the review, IRG's Exploration Manager has travelled to Kalalushi core farm to re-log the diamond drill holes and take readings from a Handheld X-Ray Flourescence (XRF) analyser to confirm key historic assay results where possible.

Progress to date has included re-logging of diamond drill holes MR415 and MR418 which has so far shown that the ore bearing zone is moderately brecciated and the main alteration assemblages include iron oxide, potassic alteration, minor scapolitization within breccia clasts and albitization which is an end member of the potassic alteration. Copper minerals include chalcocite and supergene malachite. Further, minor sulphides, being mostly pyrite, were noticed in a few localities.

XRF readings have been taken of the archived half-core of MR415 at varying sample intervals based on visual characteristics over a 9m section of core from 11m drill depth, and have confirmed significant copper mineralisation, with results and JORC code reporting given in ASX announcement on 8 July 2014.

Core tray for diamond drill core MR415

❖ **Upcoming Events**

Planned exploration at the Kalengwa Projects during the next quarter includes:-

- Finalise re-logging of the archived diamond drill cores, including taking relevant XRF readings;
- Complete desktop study following re-logging and review of historical exploration database to develop geological model and define drill targets;
- Receive approval for exploration works (EPBs) from the Zambian Environmental Management Agency;
- Conduct initial ground magnetics and radiometrics across areas of known mineralisation to further define targets for drilling;
- Drill prospective targets at Kalengwa South – planned for Q4 2014; and
- Conduct soil sampling and mapping at the Kalengwa East projects.

❖ **Evaluating Other Zambian Opportunities**

Company management are actively searching for advanced stage Zambian copper projects for acquisition to complement the Kalengwa Projects and establish Integrated as a significant copper explorer in Zambia.

Management has already reviewed a large number of projects, many of which have been sourced by the new Exploration Manager, and is currently investigating a number of prospective opportunities.

View west over the Kalengwa South Project
showing the Karimbarembi prospect and the old pit workings

Lyndon Precious/Base Metals Project

The Company is working through the native title approval process in order to finalise grant the exploration applicable covering the 'Bullseye' prospect in order to commence exploration on the Lyndon project. Further the Directors are reviewing the maintenance costs of the Lyndon Project tenements in order to prioritise spending given the Company's strategic change of focus to the Kalengwa Projects.

Interests in Mining Tenements Additional Disclosure

The company wishes to provide the following tenement schedule in connection with the company's activities report for the quarter ended 30 June 2014 in accordance with ASX Listing Rule 5.3.3.

Project/Tenements	Location	Held at end of quarter	Acquired in the quarter	Disposed in the quarter
Lyndon Project E08/1880 E08/2022 E08/2066 E08/2493	Western Australia	 100% 100% 100% Application	Nil	Nil

On behalf of Integrated Resources Group Limited

Timothy J. Moore
Chairman