

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

ORPHEUS ENERGY LIMITED

ABN

67 121 257 412

Quarter ended ("current quarter")

JUNE 2012

Consolidated statement of cash flows

Cash flows related to operating activities

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(337)	(618)
(b) development	-	-
(c) production	-	-
(d) administration	(498)	(2,608)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	25	119
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
- GST & Tax Refunds	6	(44)
- Other	-	-
Net Operating Cash Flows	(804)	(3,151)

Cash flows related to investing activities

1.8 Payment for purchases of:	(a)prospects		
	(b)equity investments	(349)	(349)
	(c) other fixed assets	(50)	(58)
1.9 Proceeds from sale of:	(a)prospects		
	(b)equity investments	-	-
	(c)other fixed assets	-	-
1.10 Loans to other entities	(374)	(1,406)	
1.11 Loans repaid by other entities	-	246	
1.12 Other (provide details if material)			
Initial Deposit re Papua Projects (Secured)	-	(2,000)	
Net investing cash flows	(773)	(3,567)	
1.13 Total operating and investing cash flows (carried forward)	(1,577)	(6,718)	

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(1,577)	(6,718)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. Net of brokerage	2,074	7,967
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 -	-	-
	Net financing cash flows	2,074	7,967
	Net increase (decrease) in cash held	497	1,249
1.20	Cash at beginning of quarter/year to date	3,085	2,333
1.21	Exchange rate adjustments to item 1.20	7	7
1.22	Cash at end of quarter	3,589	3,589

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	133
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

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	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	250
4.2 Development	-
4.3 Production	-
4.4 Administration	475
Total	725

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	206	658
5.2 Deposits at call	3,383	3,053
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	3,589	3,711

+ See chapter 19 for defined terms.

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	132,075,191	112,294,839		Fully Paid
7.4 Changes during quarter	17,227,198	17,227,198		Fully Paid
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs				
7.5 ⁺Convertible debt securities (description)	8,800,000 Convertible Notes issued in consideration for Equity Interest in Blocks 3 and 4 Kalimantan Indonesia. (Announced 25/11/2011) Maturity 31/12/2014. Interest at 9.0% pa.			
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)				
	Options	Quoted	Exercise price	Expiry date
Unquoted	1,619,049	-	\$2.63	08/09/2012
	1,175,000	-	\$0.20	30/09/2014
Unquoted Escrowed until 17/08/2013	1,000,000	-	\$0.25	04/08/2014
	12,750,000	-	\$0.20	30/09/2014
Total Options	16,544,049	-		
7.8 Issued during quarter	Options	Quoted	Exercise price	Expiry date
	-	-	-	-
7.9 Exercised during quarter	-		-	-
7.10 Expired during quarter	Options	Quoted	Exercise price	Expiry date
Lapsed upon employment termination	500,000	-	\$0.20	30/09/2014
Total Options				
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: 31 July 2012

Print name:

(Director/Company secretary)

David Smith

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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