

QUARTERLY ACTIVITIES REPORT SEPTEMBER 2013

HIGHLIGHTS

- ***Sentosa Completes Option to Acquire Darvii Naruu Porphyry Copper Gold and Polymetallic Project in Western Mongolia.***
- ***Sentosa Completes AUD \$1.14m in Over Subscribed Capital Raising.***
- ***Drilling Commences at Darvii Naruu Project Mongolia.***
- ***Ongoing Evaluation of Potential New Projects.***

During the quarter the company continued the process of improving operational efficiency, cost cutting and evaluation of existing and potential projects. This included the successful completion of an oversubscribed capital raising to raise AUD\$1.14 million to further exploration at the exciting Darvii Naruu copper gold project in Mongolia as well as further work on the company's Juardi Hills project. Sentosa exercised its option to acquire a 100% interest in the Darvii Naruu project and preparations were put in place to commence a 2,000 metres RC drill programme at Darvii Naruu which is designed to test high priority drill targets identified through the recently completed aeromagnetic and radiometric airborne survey.

EXPLORATION

Darvii Naruu Project –Mongolia

Highlights:

- ***2000 metres RC Drill Programme Commences at Darvii Naruu Project.***

As previously reported:

- ***Completed airborne aeromagnetic and radiometric survey.***
- ***Completed Interpretation of airborne survey data by Southern Geoscience as well as an Independent Geological Review.***

Drilling – Mongolia

Reverse circulation drilling commenced on the Darvii Naruu Copper Gold Project in Govi-Altai province, western Mongolia on the 24th October 2013, to test 4 of the 37 anomalies identified by the recent airborne geophysics survey conducted over the north western sector of the 62,735.8 Hectare Project. A 2,000 metres scout drilling programme is now under way at the highest priority targets comprising the Mushroom Reef, Mushroom East, Sulphide Creek and Anomaly 13 prospects (see Figure 1). Sentosa acquired a 100% interest in Darvi Naruu on October 1st.

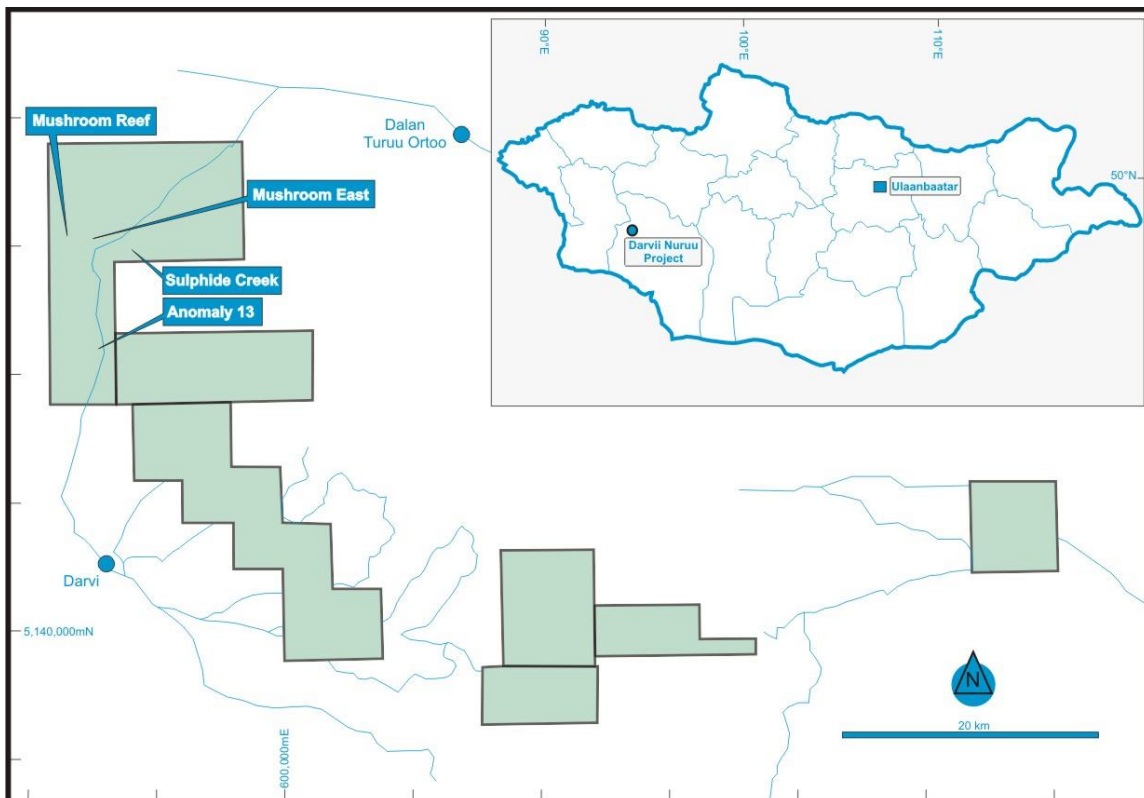


Figure 1 Locality of prospects at Darvii Naruu

Mushroom Reef Prospect

This is a well defined target based on outcrop at surface with elevated gold grades peaking at 34 g/t Au. Two strong magnetic highs exist within a corridor identified by Southern Geoscience which is coincident with the surface expression of gold and copper mineralisation. Four holes will be drilled to a depth of 200 metres each to test the magnetic targets (see Figure 2).

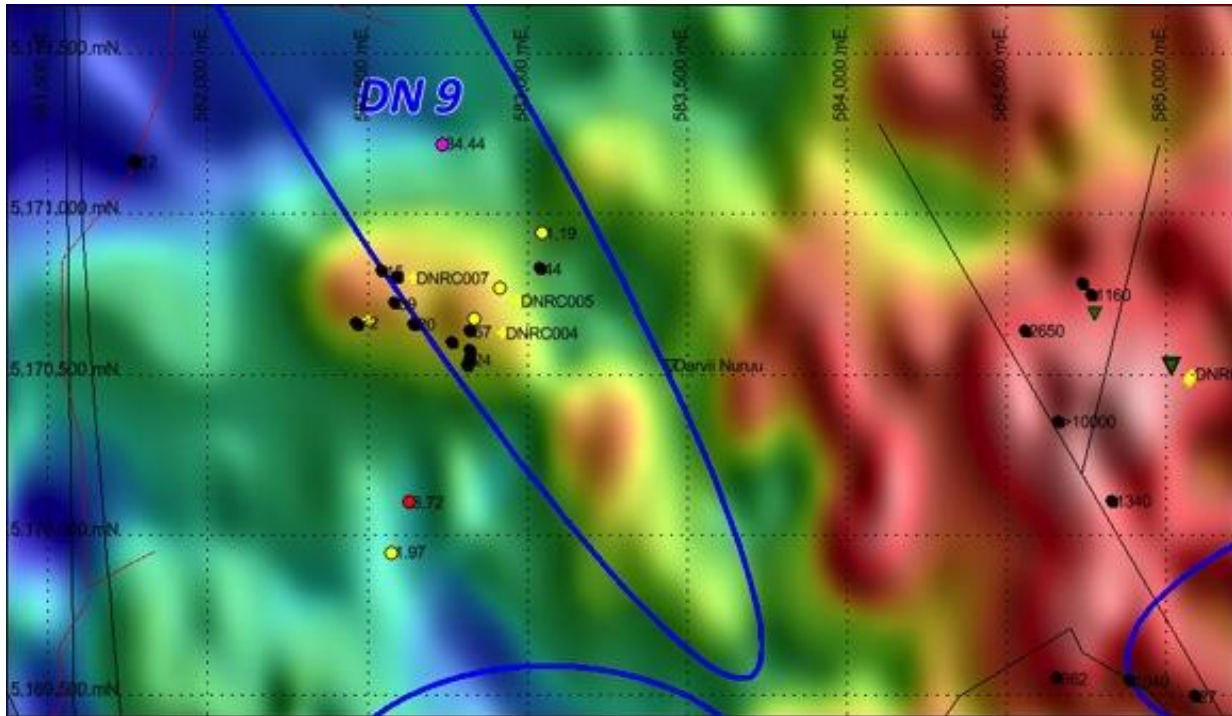


Figure 2 Circular magnetic highs coincident with outcropping quartz gold vein at Mushroom Reef. Four holes have been designed to test nature of magnetic anomalism.

Mushroom East Prospect

The copper and gold mineralisation of the Mushroom East prospect is associated with sub-parallel sheeted quartz veins within a mafic intrusion. These veins strike 030° and dip at 60° towards 120°. The width of the laminated veins vary from are 0.25 to 1.0 metre. The mineralisation outcrops on the side of a hill, and is visible from a distance by its gossanous nature. The extent of the outcrop is approximately 75 metres, however malachite was observed in outcrop within a similar mafic intrusion 300 metres to the WNW of the system. The mineralogy of the veins is typically quartz + goethite ± malachite and azurite. The goethite has resulted from the weathering of insitu sulphides. Three holes for 330 metres have been designed to test the Mushroom East copper prospect at depth. High grade rock chips from outcrop up to 5.5% Cu exist at this location and recent analysis of rock chips collected in 2012 within the area returned grades of greater than 1% Cu (see Figure 3).

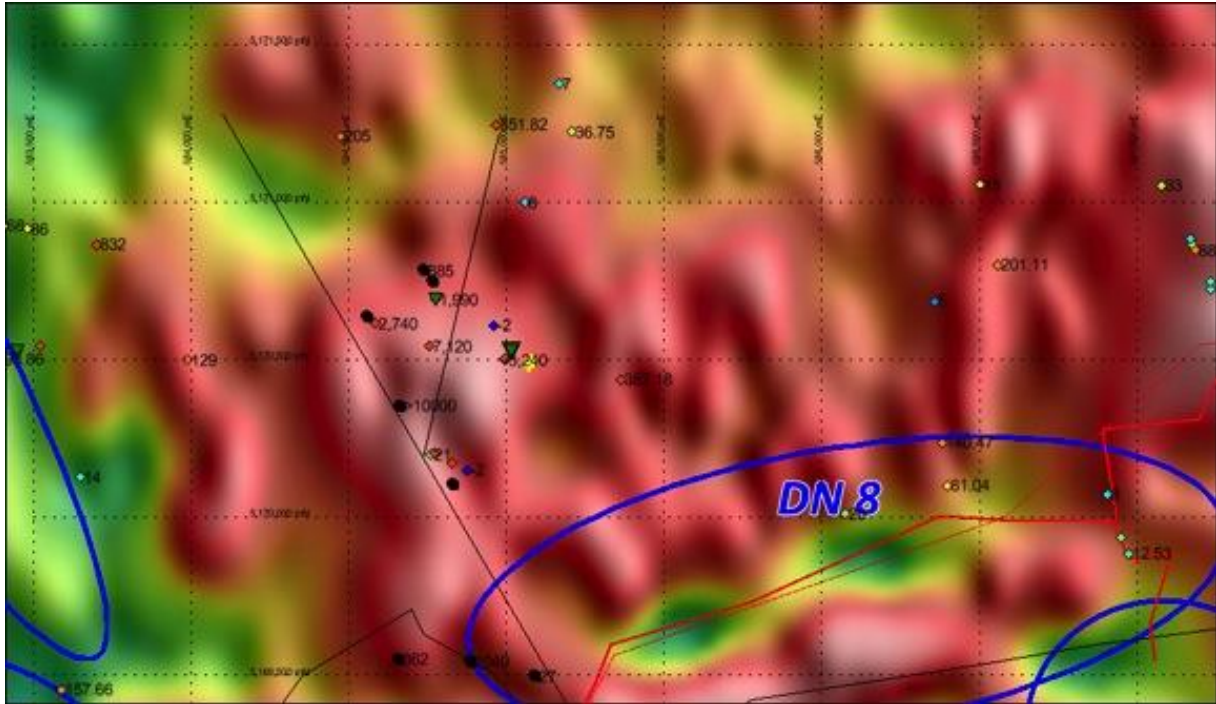


Figure 3 Drilling has been designed at Mushroom East to test the outcropping copper rich quartz gossan veining.

Sulphide Creek Prospect

Further inspection on the ground is required at Sulphide Creek after Southern Geoscience identified a strong magnetic anomaly which is coincident with moderate level stream sediment sampling up to 398ppm nickel and 49ppm cobalt. These are not particularly high but the interest lies in a train of large boulders of fine grained variously serpentinised dunites and peridotites. These carry up to several percent fine grained disseminated sulphides and a number of specimens assay 0.5% to 0.6% nickel and 110ppm cobalt. In this area some stream sediments carry up to 13ppb Au. Petrological examination of the nickeliferous boulders suggests some of the sulphides are probably cumulate in origin and pentlandite has been recognized as discrete grains. The presence of nickel sulphides and the gold in the stream sediments suggests this area is prospective for PGEs as well as nickel.

Anomaly 13 Prospect

A large magnetic high with a peculiar circular magnetic low exists at Anomaly 13, and was identified in the review by Southern Geoscience. This magnetic anomaly has a partially overlapping potassic anomaly, K8. Stream sediment sampling identified this as an area of interest in 2008. Elevated nickel values in gossan from outcrop with values up to 0.6% Ni and a float sample grading 21% Cu, 2.1 g/t Au, 0.37% Pt and 0.37% Pd was found in this vicinity (see Figure 4). Further ground truthing will be completed at Anomaly 13 prior to drilling a hole at this priority target.

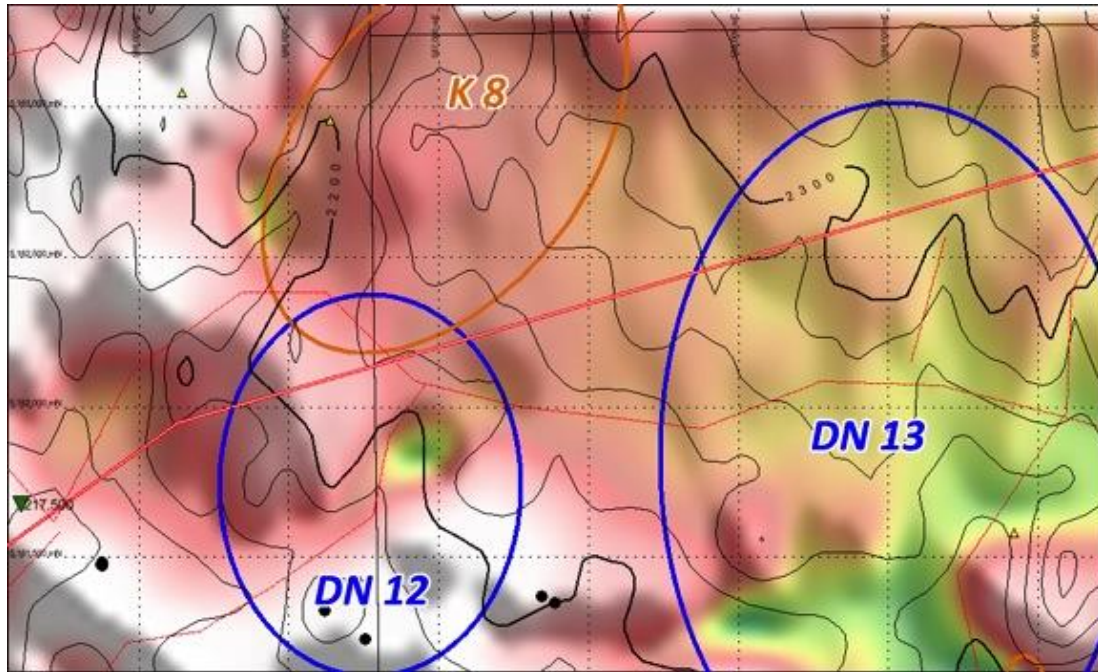


Figure 4 Anomaly 13 is a high priority target. Further geological inspection will be undertaken prior to drilling.

Background

As previously reported in early September 2013, the company completed an airborne magnetic and radiometric survey over the Darvii Naruu Cu-Au project in Mongolia. Approximately 1620 line kilometers of aeromagnetic-radiometric data was collected in the Darvii Naruu survey, at a nominal line spacing of 200m and a nominal terrain clearance of 50m. The survey was designed to target the highly encouraging historic geochemistry identified at the Mushroom Reef and Anomaly 13 prospects (see Figure 5). In addition a detailed independent geological review was also completed in September 2013. This report together with the airborne survey results confirmed the potential for large scale copper-gold, gold or nickel-copper gold PGE mineralised systems within the north Western sector of Darvii Naruu.

Previously Announced Highlights:

- ***Broad Copper (Cu) and Gold (Au) mineralised system with maximum rock chip samples of 5.8% Cu and 34.4 g/t Au from Mushroom Reef prospect.***
- ***Numerous occurrences of outcropping mineralisation over extensive surface area on several additional prospects with consistent sample grades greater than 1% Cu and +1g/t Au.***
- ***Individual float sample from Anomaly 13 prospect containing grades of 21% Cu, 2.1g/t Au, 0.37g/t Pt and 0.37g/t Pd.***
- ***Geology has encouraging similarities to Rio Tinto's Oyu Tolgoi deposit.***
- ***Transaction represents an exciting opportunity for Sentosa to potentially discover a large scale world class mineral deposit.***

The Darvii Naruu Copper Gold Project in Gobi-Altai province, western Mongolia is comprised of seven semi contiguous licenses (Figure 5) with a total area of 62,735.8 Hectares. The project is located within the South Gobi Arc which hosts Rio Tinto’s world class Oyu Tolgoi porphyry deposit, one of the world’s largest Cu-Au deposits.

Sentosa executed a Heads of Agreement to acquire 100% of the Darvii Naruu Project. Under the terms of the agreement Sentosa undertook to spend A\$150,000 on a Work Programme which involved flying an aeromagnetic and radiometric survey.

Historic exploration has defined multiple prospects at Darvii, the flagship prospect being Mushroom Reef which has characteristics comparable with the surface alteration footprint of a porphyry copper gold deposit including:

- a spatially extensive FeO iron-leach cap overlying Devonian mafic volcanics;
- close proximity to later stage felsic plutonism;
- polyphase structural deformation of strata;
- numerous occurrences of malachite in fractures with low to high grade Au ± Cu in outcropping quartz veins;
- moderate anomalism of Ag, As, Sb, Zn and Mo in soil and stream sediments; and
- maximum rock chip values of 5.8% Cu and 34.4 g/t Au have been collected at Mushroom Reef.

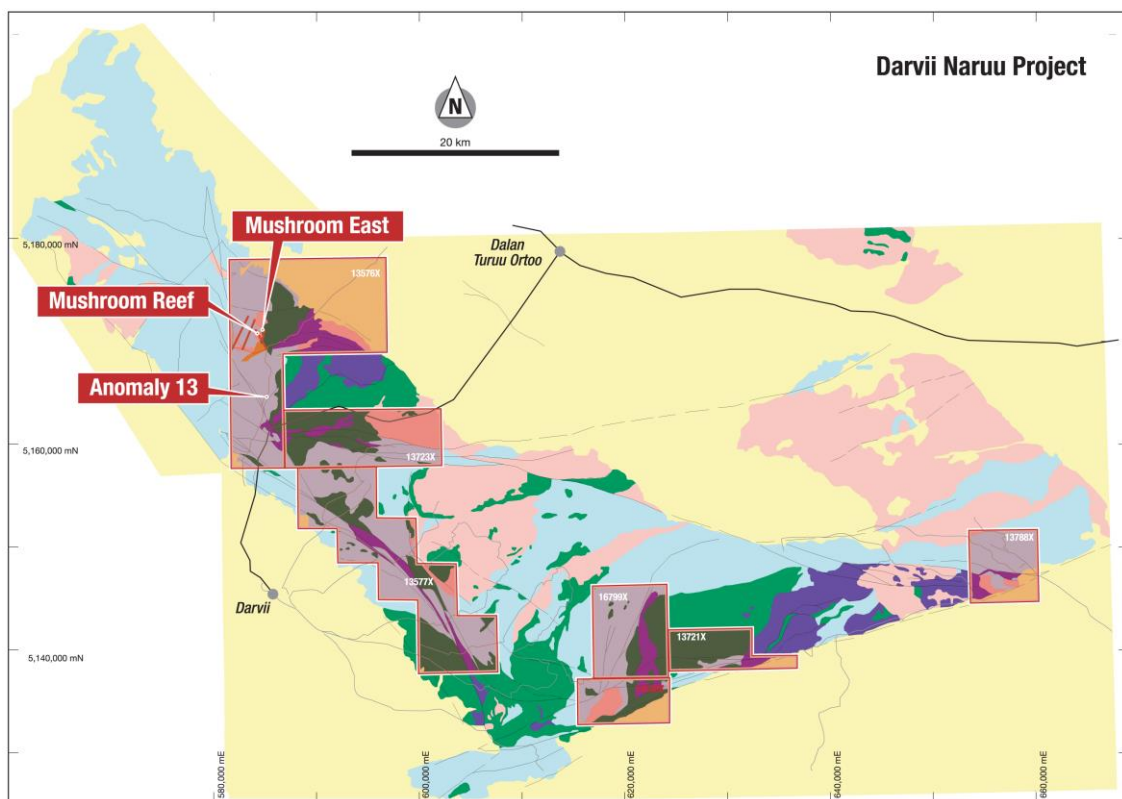


Figure 5 Geological map and tenement holding of the Darvii Naruu project

Porphyry systems within Mongolia vary in size, composition and nature. In comparison to the Mushroom Reef prospect, the major mineralised centres targeted at Oyu Tolgoi occur coincident with regional, northerly-bearing structures that have strike lengths of about 4km. The Mushroom Reef Prospect, like Oyu Tolgoi, is predominantly hosted by Devonian-aged mafic extrusive rocks. Enrichment of copper and gold in soil occur along linear corridors exceeding 3km in length. These linear features correlate with regional faults and strike NNW to NNE. Elevated Au and Cu soil concentrations usually occur together. The geochemical analysis of rock chip samples of exposed quartz veins and gossanous material replicate the anomalism observed in soil.

The copper values in the soils range up to 354 ppm and gold up to 126 ppb. The maximum gold grade in rock chip samples at the Mushroom Reef prospect is 34.4 g/t and the maximum copper concentration is 5.56%. Based on the elevated concentrations of Cu and Au in soil and the depletion of other elements, it is possible that Mushroom Reef is prospective for a partially exposed, near-core position of a Cu-Au porphyry system.

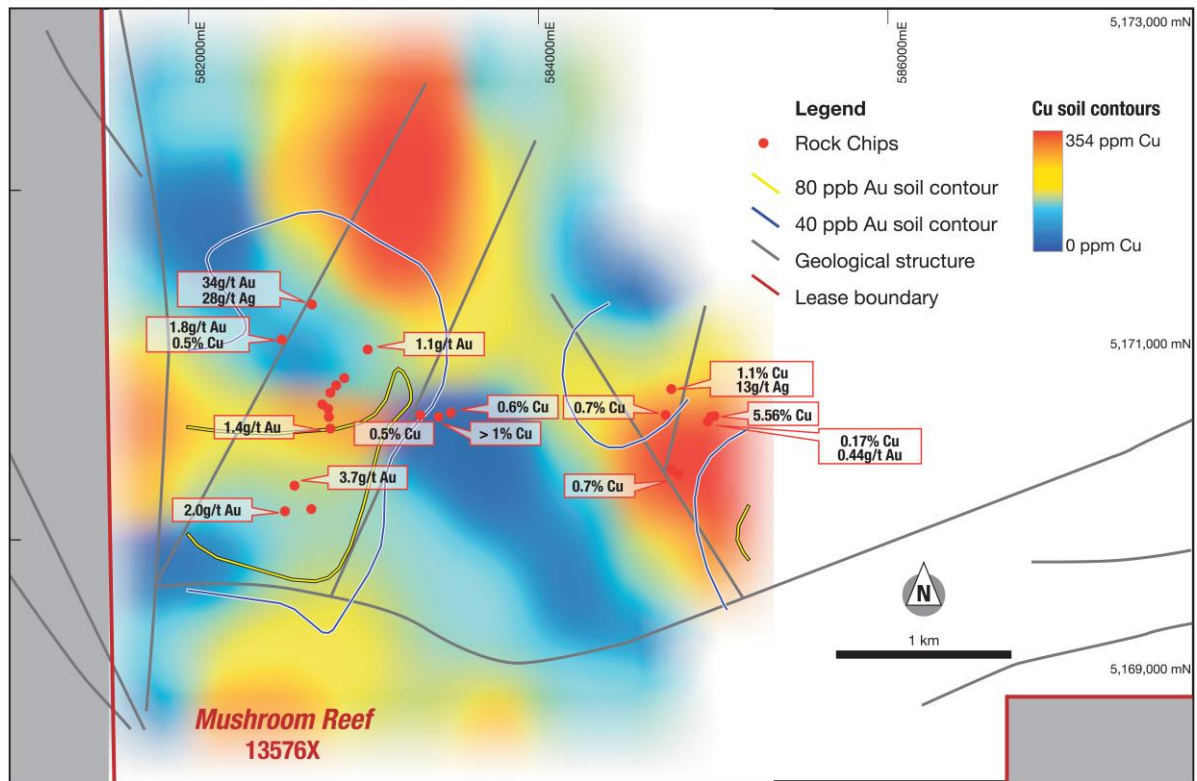


Figure 6 Cu and Au soil with rock chip geochemistry at the Mushroom Reef prospect



Figure 7 Quartz-gossan-malachite-azurite outcrop at Mushroom East with rock chip grades up to 5.56% Cu and 0.44 g/t Au

Anomaly 13 is located eight kilometers south of the Mushroom Reef prospect, where anomalous rock chips samples are associated with widespread ultrabasic rocks present as either sills or possibly flows inter-bedded in a series of shallow marine sediments. Highly encouraging rock chip samples have also been collected at this locality with maximum assay values of **21% Cu, 2.1 g/t Au, 0.37 g/t Pt, 0.37 g/t Pd and 0.63% Ni**.

Jaurdi Hills Project

Following the drilling of a number of potential targets earlier in the year at the company's Jaurdi Hills project north of Coolgardie in Western Australia (see Figure 8), resource and pit optimisation work at the Panther prospect was completed with evaluation of a potential sale of an in-situ gold resource continuing.

Historic Exploration Summary

Panther

- Reverse circulation hole drilled in the previous quarter at Panther intersected a wide, high grade interval of **17 metres at 5.29 g/t Au from 83 metres down hole** supporting historic high grade results beneath the old open pit.
- Resource estimate and pit optimisation for mineralisation below historic pit now completed.

Wealth of Nations

- 5 metres at 4.77 g/t Au from 55 metres down hole.
- New zone of gold mineralisation tracking to surface.

Jaurdi Mining Centre

- 2 metres at 3.65 g/t Au from 66 metres down hole.
- 3 metres at 1.65 g/t Au from 135 metres down hole.
- 1 metre at 2.04 g/t Au from 41 metres down hole.
- Geological model of gold mineralisation confirmed at JMC.

Background

The Jaurdi Hills Project is located approximately 40km northwest of Coolgardie. The town site of Coolgardie is located 550km east of Perth and 40km west of Kalgoorlie. The project tenements lie on the western flank of the Dunnsville/Doyle Dam Granodiorite Dome. The geology of the project area is dominated by the lower basaltic unit of the Dunnsville-Ubini Greenstone Belt (DUGB), which is intruded by several narrow dolerite and gabbro sills. The basalt sequence is underlain by komatiites which are mapped on the western margin of the project. The main structural features within the project area are the Jaurdi Shear Zone along the east side of the project and a northeast trending fault that passes approximately through the middle of the project separating the Dunnsville granodiorite dome in the north from the Doyle Dam granodiorite dome to the south.

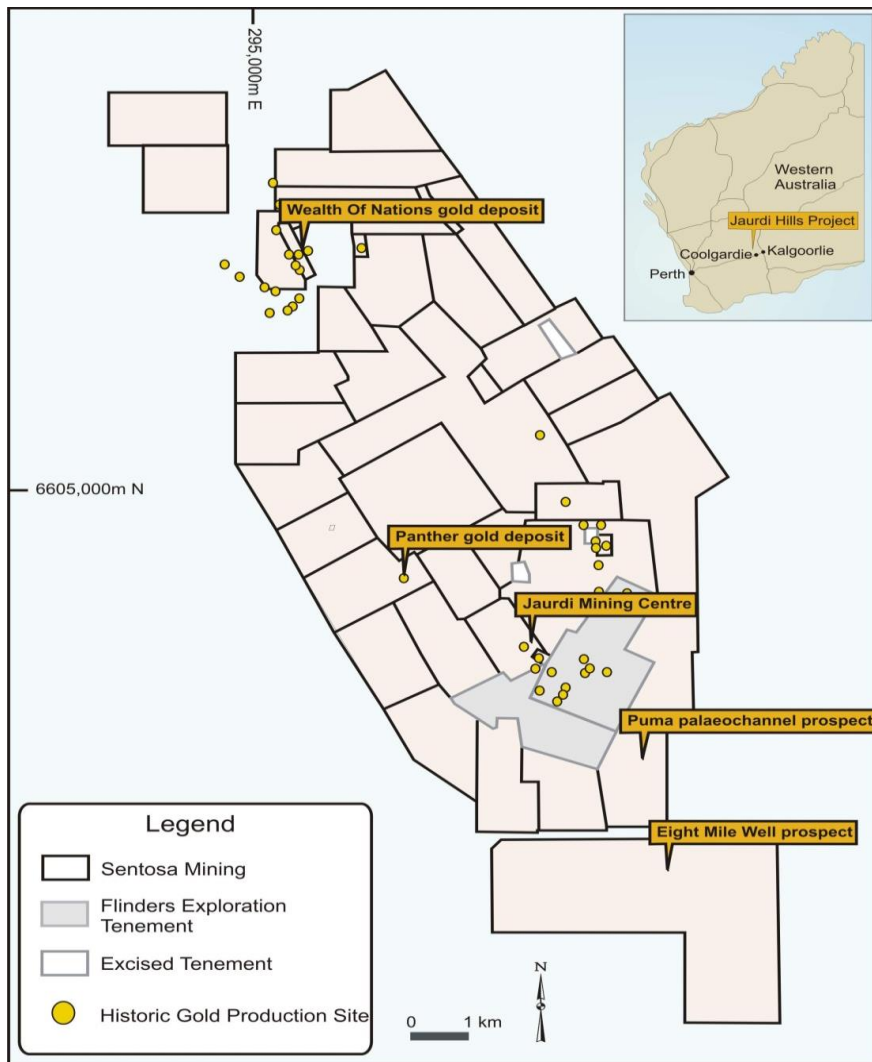


Figure 8 Sentosa tenement package at the Jaurdi Hills Project

Panther

Four reverse circulation (RC) holes were drilled at Panther in the previous quarter targeting the shallow mineralisation below the open pit; with significant mineralisation (**17m down hole at 5.29 g/t Au; including 1m at 19.06 g/t Au from 83m and 2m @ 19.46 g/t Au from 97m**) intersected in hole JRC134. This result is extremely encouraging as it represents a true width of 14.7 metres and supports the ore body geometry previously intersected in historic drilling results as reported in Table 1 and Figure 9.

The three other RC holes drilled as part of this programme (JRC135, 136 and 137) intersected low grade to barren material. The drilling of the four holes has strengthened the understanding of the control of mineralisation and it is interpreted as a moderate, north plunging quartz vein breccia pipe with a true width of up to 15 metres (see Figure 9). Further holes have been designed to test the down plunge continuity of the structurally thickened ore shoot and a preliminary resource is currently being built using the historical drill information (see Table 1 – historic results) and the new geological interpretation.

Hole ID	Collar Location MGA_51			Dip	Azimuth	Depth (m)	From (m)	To (m)	Interval (m)	Grade (g/t Au)	Description
	mE	mN	mRL								
PA394-935	297411	6603076	400	-90	000	33	7	21	14	1.82	14m @ 1.82g/t Au
JHA070	297416	6603069	428	-90	000	60	40	53	13	1.05	13m @ 1.05g/t Au
JHR173	297430	6603031	428	-60	070	62	4	16	12	1.28	12m @ 1.28g/t Au
JHR174	297400	6603020	428	-60	070	71	30	34	4	1.75	4m @ 1.75g/t Au
PA394-728	297413	6603096	394	-90	000	40	9	19	10	2.84	10m @ 2.84g/t Au
PA394-748	297418	6603084	394	-90	000	24	12	22	10	8.1	10m @ 8.1g/t Au
JHA071	297399	6603107	428	-90	000	60	42	46	4	4.49	4m @ 4.49g/t Au
JHD002	297361	6603131	428	-60	070	80	69.1	80	10.9	3.31	10.9m @ 3.31g/t Au
JHA067	297411	6603094	428	-90	000	60	48	50	2	2.78	2m @ 2.78g/t Au
JRC065	297361	6603075	428	-60	070	80	79	80	1	2.26	1m @ 2.65g/t Au
JHA065	297415	6603112	428	-90	000	60	53	55	2	1.46	2m @ 1.46g/t Au
PA394-766	297371	6603137	394	-90	000	60	40	46	6	1.37	6m @ 1.37g/t Au
PA394-765	297375	6603128	394	-90	000	60	51	60	9	5.15	9m @ 5.15g/t Au
PA394-217	297399	6603163	394	-90	000	34	26	31	5	3.63	5m @ 3.63g/t Au
PA23670-01	297433	6603021	428	-90	000	10	7	10	3	1.67	3m @ 1.67 g/t Au
PA23680-01	297438	6603033	428	-90	000	10	7	10	3	1.68	3m @ 1.68 g/t Au
JHA060	297394	6603143	428	-90	000	60	52	60	8	6.19	5m @ 1.64g/t Au
JRC071	297361	6603195	428	-60	070	101	63	64	1	24.6	1m @ 24.6g/t Au
JHA042	297398	6603209	428	-90	000	60	56	60	4	4.67	4m @ 4.42g/t Au
JRC072	297324	6603181	428	-60	070	136	106	111	5	2.33	5m @ 2.33g/t Au
JHA049	297388	6603226	429	-90	000	60	51	57	6	3.07	6m @ 3.07g/t Au
PA402-009	297415	6603233	402	-90	000	8	3	7	4	3.30	4m @ 3.30g/t Au
JRC092	297395	6603250	429	-90	000	82	27	28	1	4.25	1m @ 4.25g/t Au
JRC091	297409	6603256	429	-90	000	81	26	29	3	1.09	3m @ 1.09 g/t Au
JRC094	297394	6603292	429	-90	000	82	32	35	3	1.08	3m @ 1.08 g/t Au
JRC093	297418	6603302	429	-90	000	82	18	20	2	2.11	2m @ 2.11g/t Au
JHR147	297373	6603153	428	-60	070	70	58	65	7	6.51	7m @ 6.51g/t Au
JRC064	297389	6603122	428	-60	070	76	54	56	2	1.74	2m @ 1.74g/t Au
JHA063	297425	6603148	429	-90	000	60	29	30	1	15.2	1m @ 15.2g/t Au
PA23807-1	297421	6603163	429	-90	000	59	40	50	10	1.43	10m @ 1.43g/t Au
PA23825-3	297396	6603173	428	-90	000	78	54	61	7	2.16	7m @ 2.16g/t Au
PA23807-3	297402	6603156	428	-90	000	72	59	60	1	17.7	1m @ 17.7g/t Au
JHA051	297380	6603178	428	-90	000	60	46	47	1	16.7	1m @ 16.7g/t Au
JRC073	297400	6603210	429	-60	070	60	45	56	11	1.01	11m @ 1.01g/t Au
JRC081	297398	6603324	428	-60	070	60	20	23	3	2.30	3m @ 2.30 g/t Au

Table 1 Historic drill holes beneath the Panther open pit

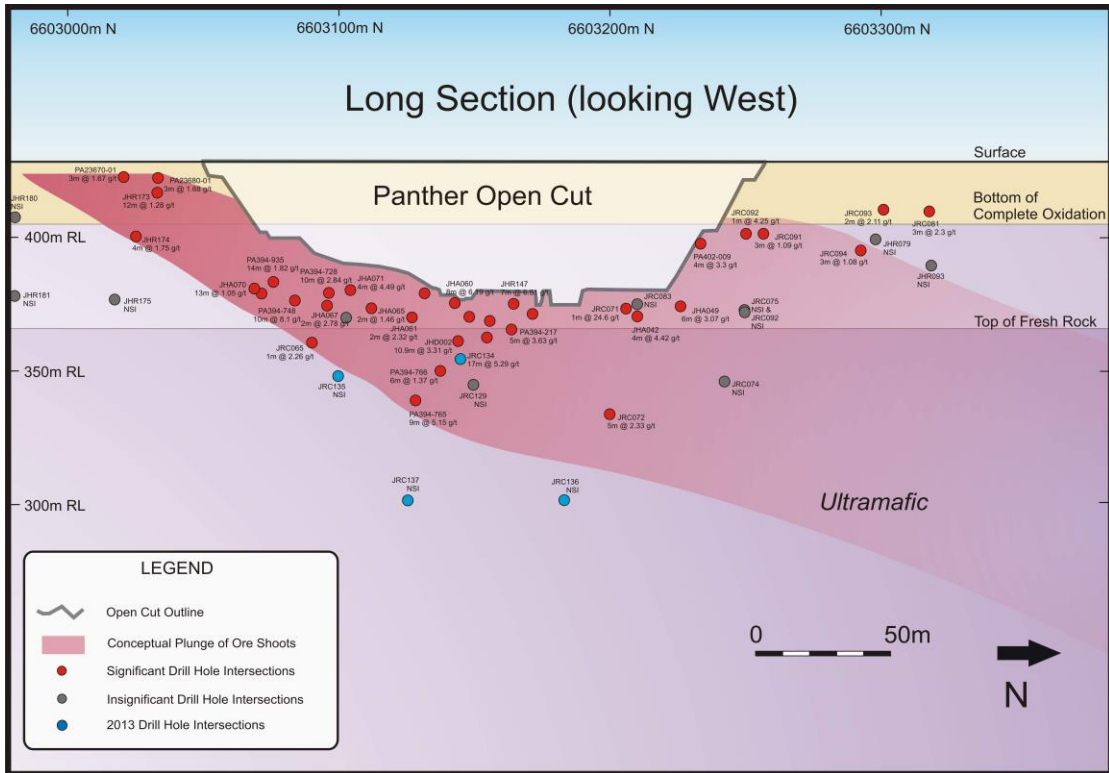


Figure 9 Long section of the Panther pit demonstrating moderate north plunge

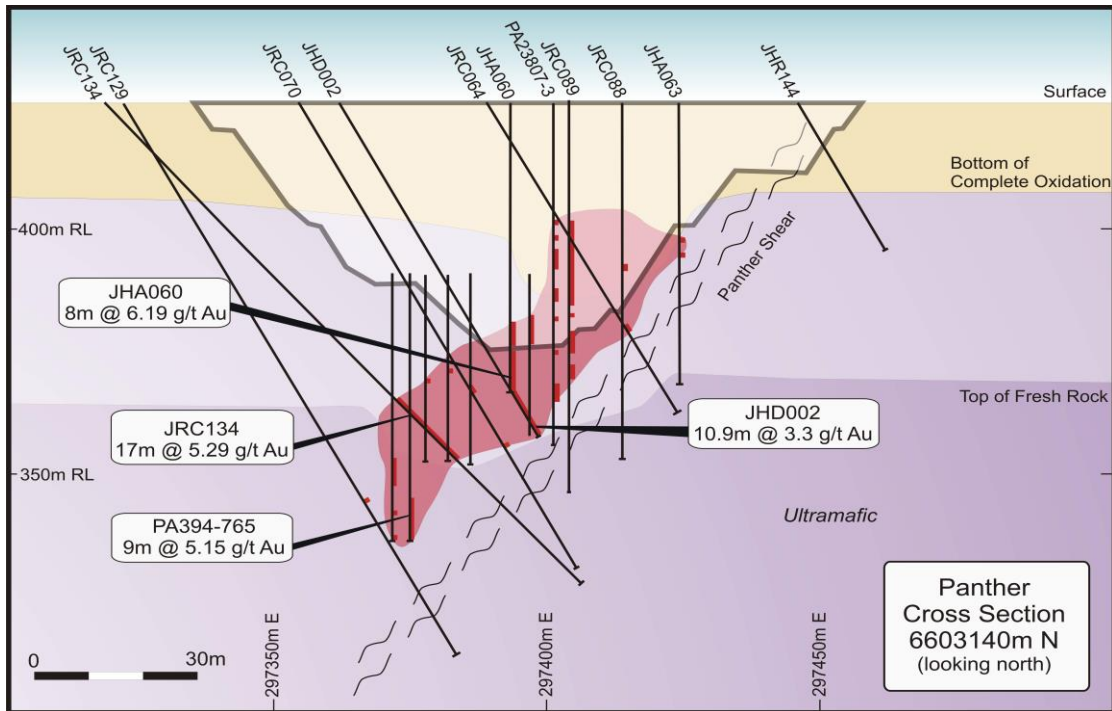


Figure 10 Cross Section 6603140mN showing structurally thickened ore shoot

Wealth of Nations

RC drilling at Wealth of Nations in the previous quarter has yielded significant gold mineralisation in hole JRC 133 which intersected **5m @ 4.77 g/t Au from 55m (including 1m at 12.87 from 56m)**. Sentosa is encouraged with this result as it represents a zone of mineralisation not previously identified which potentially can be tracked to surface (see Figure 11). The mineralisation is hosted in quartz veins within sheared basalt which lies stratigraphically above a black shale unit. The mineralisation is only 47 metres below surface and further shallow RC holes have been designed to expand the current understanding of the spatial relationship of the mineralisation.

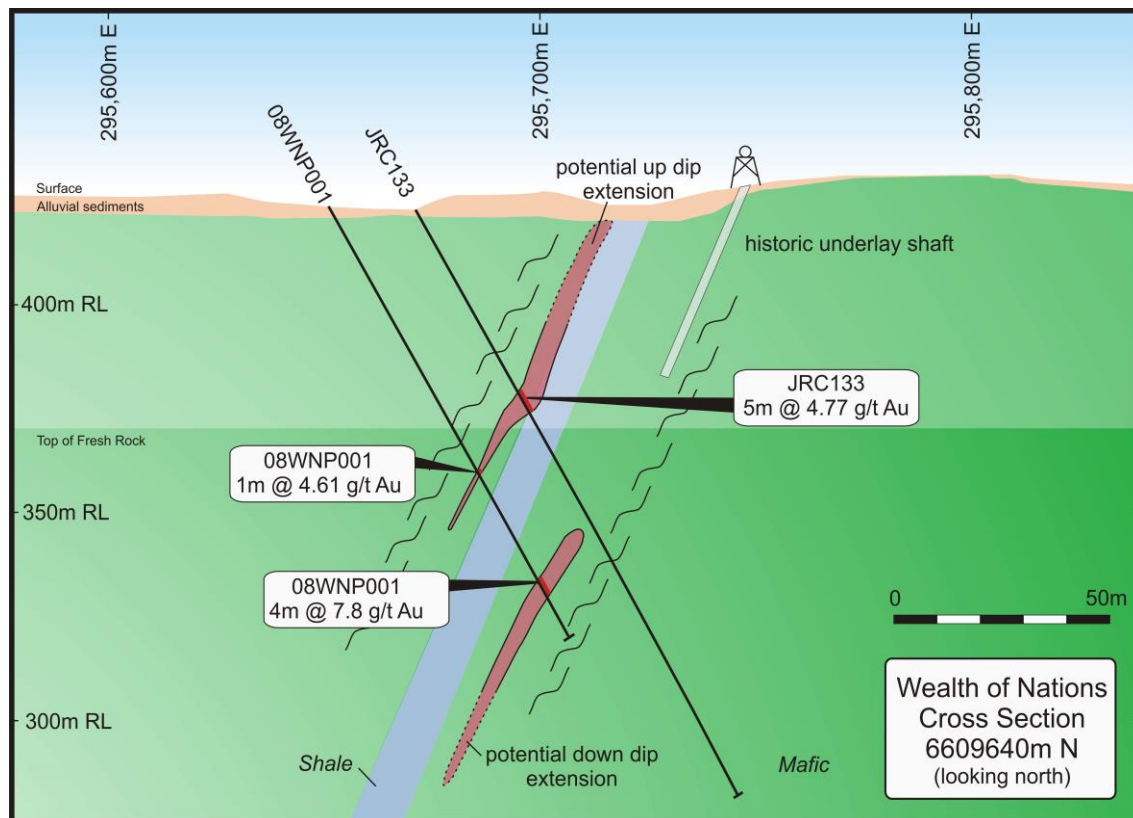


Figure 11 Wealth of Nations Cross Section 6609640mN: JRC133 5m @ 4.77g/t Au

Jaurdi Mining Centre

Two holes were drilled at Jaurdi Mining Center as part of Sentosa’s February 2013, drill programme. Both holes intersected mineralisation which was consistent with the geological model. Multiple mineralised horizons were intersected in hole JRC138 (see Figure 12) and include **1m at 0.76 g/t Au from 3m, 2m at 3.5 g/t Au from 66m (including 1m at 6.59 from 66m) and 3m @ 1.65 g/t Au from 135m (including 1m @ 4.67 g/t Au from 137m)**. The second reverse circulation hole drilled at JMC, JRC139 (see Figure 13), **intersected 1m at 2.04 g/t Au from 41m**.

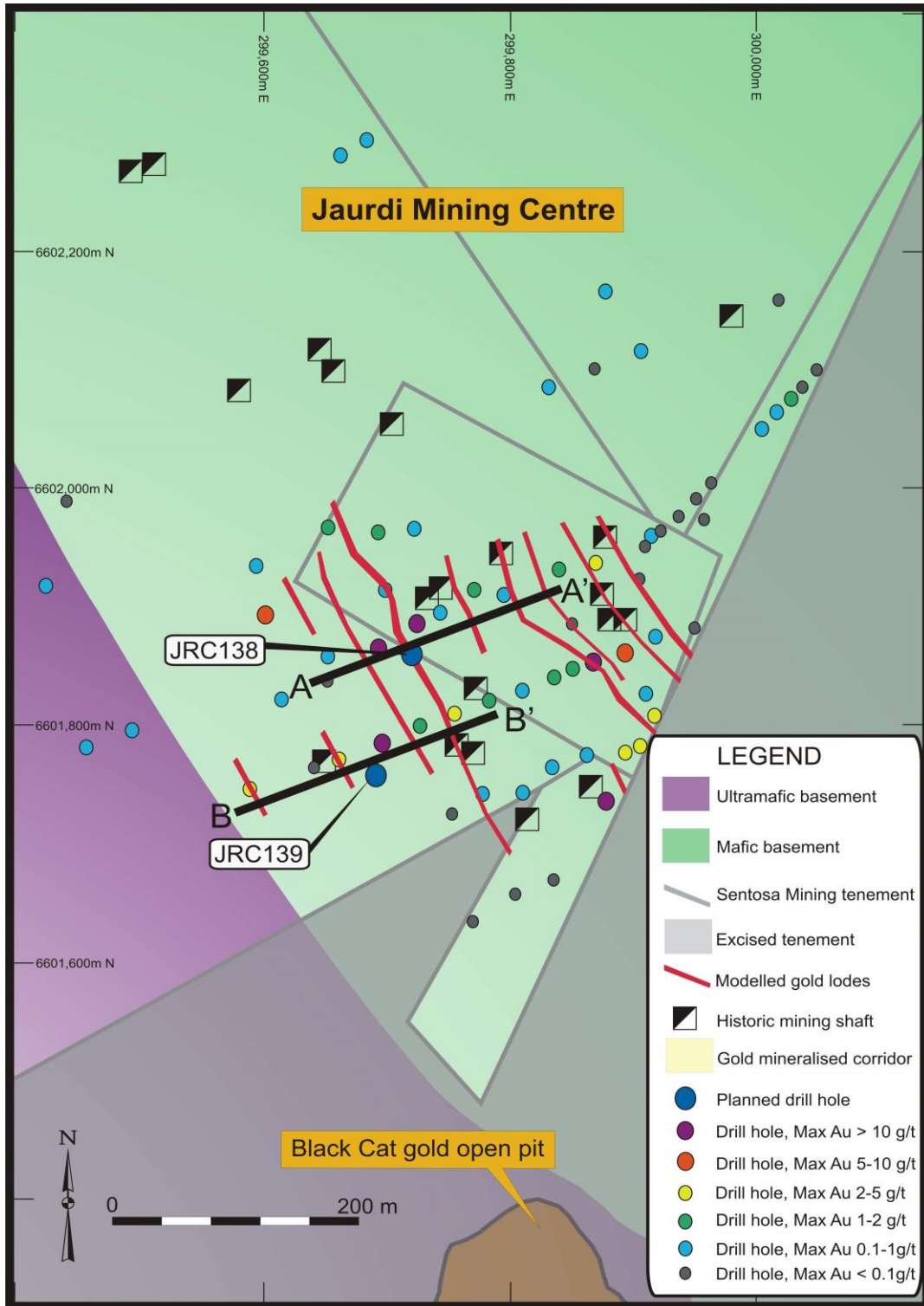


Figure 12 Plan view of JMC showing oblique sections A – A’ and B – B’

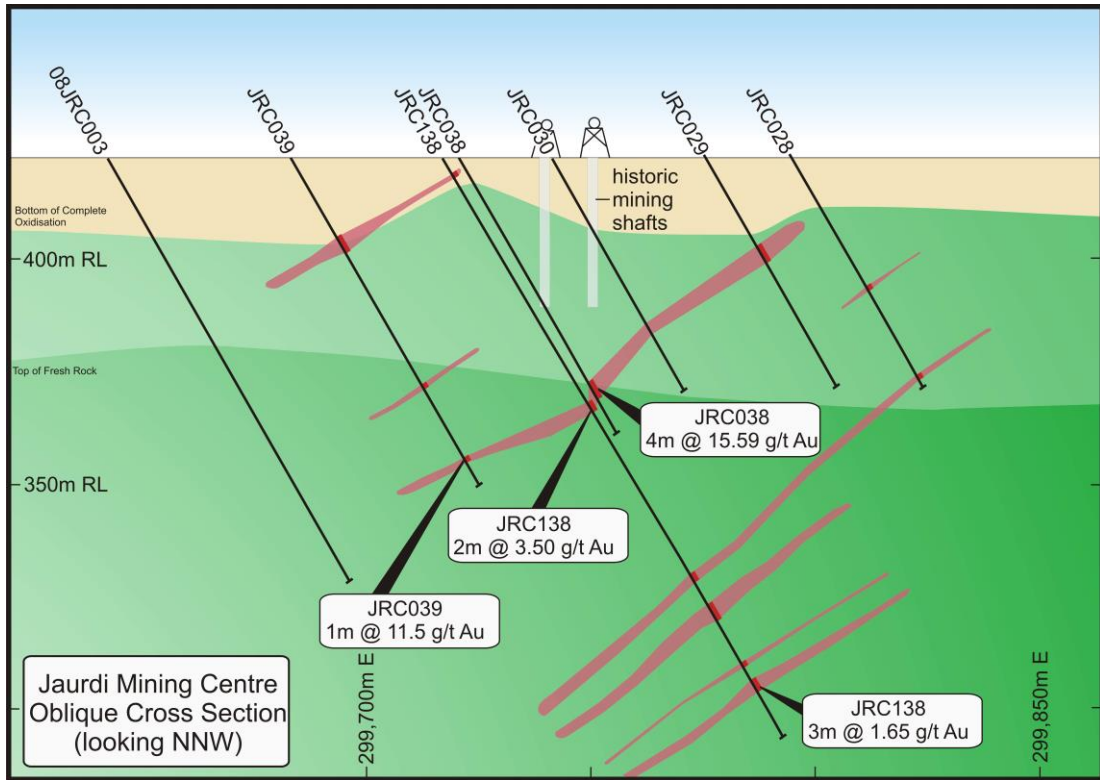


Figure 13 Jaurdi Mining Centre Oblique Cross Section A – A': JRC138 2m @ 3.50 g/t Au

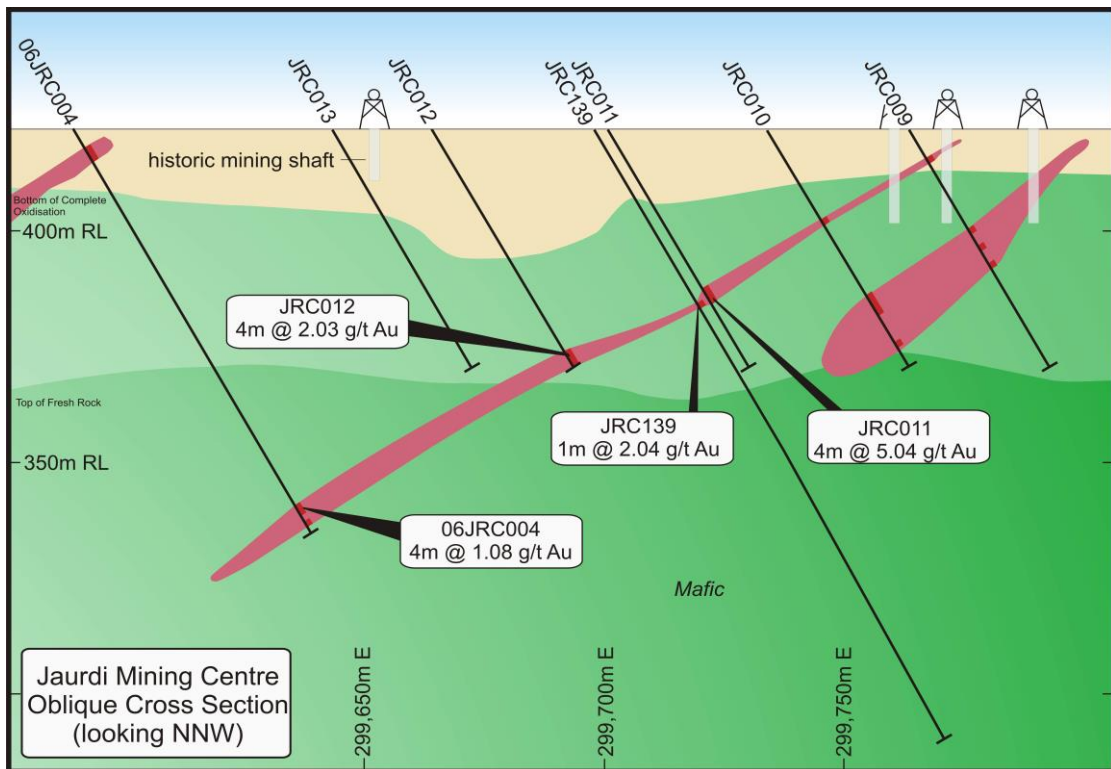


Figure 14 Jaurdi Mining Centre Oblique Cross Section B – B': JRC139 1m @ 2.04 g/t Au

Eight Mile Dam

A fence of four historic reverse circulation holes were drilled twenty metres south of the historic hole EMR003 (1m @ 69.7 g/t Au). All four holes failed to intersect significant mineralisation. Further study continues to unravel this enigmatic result.

CORPORATE

Exercise of Option to Acquire

During the quarter Sentosa exercised its Option Agreement to acquire a 100% interest in the Darvii Naruu Copper Gold Project in Gobi-Altai Province, western Mongolia.

To complete the purchase, Sentosa will issue 5,500,000 fully paid ordinary shares and an 0.5% Net Smelter Return Royalty as consideration for 100% ownership of Australian Company St Nicolas Mines Pty Ltd which owns 100% of Niquaero LLC, a Mongolian registered company which in turn owns the seven mineral permits which comprise the 62,735.8 Hectare project.

The purchase is subject to approval by Sentosa shareholders at the forthcoming AGM of shareholders on the 7th November 2013, and is also subject to the grant on satisfactory terms to the Company of any approvals required under Mongolian foreign investment or mining laws in order to acquire the issued shares in St Nicholas Mines.

Financing

On the 4th October 2013, the Directors announced that the Company had raised \$1.14 million in an over-subscribed issue (“Placement”) which is primarily to fund its first exploration drilling on the Darvii Naruu Copper Gold Project, in Western Mongolia.

The table below details the number of shares allotted and dollars raised in Tranche 1 and Tranche 2 of the funding, which initially targeted \$1 million:

Tranche 1 Shares	Tranche 1 \$	Tranche 1 Options*	Tranche 2 Shares *	Tranche 2 \$*	Tranche 2 Options*
8,216,111	369,725	4,108,056	17,211,668	774,525	8,605,833

* Subject to shareholder approval at a meeting to be held on the 7 November 2013

Tranche 2 shares and Tranche 1 and 2 options are to be issued subject to shareholder approval at the Company’s Annual General Meeting which will be held in Perth on 7th November 2013.

The options will be exercisable at 15 cents on or before three years from the date of issue which will be after the Annual General Meeting. Sentosa's two founding Directors, Nigel Gellard, Executive Chairman of the Company and Leigh Junk, a non-executive Director, are participating in the fund raising.

It is the intention of the Company to also undertake a non-renounceable pro rata entitlements issue of Options on the same terms as the Placement free attaching options ("Entitlement Offer"). The Entitlement Offer will be undertaken on the basis of 1 new Option for every 2 shares held at a price of 0.5 cents per Option to raise up to \$130,000. Participants in the Placement will be able to participate in the Entitlement Issue. The company continues to evaluate additional resource opportunities and further details will be made available to the market if and when these negotiations reach a successful conclusion.

For further information concerning Sentosa's exploration plans for the future please contact Nigel Gellard, Executive Chairman.

Nigel Gellard
Executive Chairman

Phone +61 (0)8 6141 3500

Fax +61 (0)8 6141 3599

www.sentosamining.com.au

Competent Persons Statement

The information in this report that relates to exploration data compiled by Mr Darryl Mapleson, who is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Mapleson is a Principal Geologist and a full time employee of BM Geological Services Pty Ltd. Mr Mapleson 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".

About Sentosa Mining

Sentosa Mining Limited (ASX:SEO) is a Perth-based exploration company, focused on the Darvii Naruu Porphyry Copper Gold Project, located within the gold and copper rich South Gobi Arc. Since executing an agreement to acquire the Darvii-Naruu Project in April 2013 Sentosa has gathered and interpreted approximately 1,620 line kilometers of aeromagnetic and radiometric data focusing on the north western sector of the project. Sentosa has also commissioned an independent technical review of the geology and geochemistry of the project. As reported to the ASX on 10th September 2013, this work has confirmed the potential for large scale copper-gold, gold or nickel-copper gold PGE mineralised systems within the north Western sector of Darvii Naruu. Sentosa also has the Jaurdi Hills Gold Project on the Coolgardie Goldfield, Western Australia.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

Sentosa Mining Limited

ABN

48 142 901 353

Quarter ended ("current quarter")

September 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date 3 Months \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(76)	(76)
(b) development		
(c) production		
(d) administration	(32)	(32)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	-	
1.6 Income taxes paid		
1.7 Other	-	-
Net Operating Cash Flows	(107)	(107)
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 to other entities		
1.12 Other (provide details if material)		
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(107)	(107)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(107)	(107)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc. net of costs	(15)	(15)
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 – Funds held in trust, pending issue of shares on 1 st October 2013	365	365
	Net financing cash flows	350	350
	Net increase (decrease) in cash held	243	243
1.20	Cash at beginning of quarter/year to date	300	300
1.21	Exchange rate adjustments to item 1.20		
		542	542
1.22	Cash at end of quarter		

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	37
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director fees

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	223
4.2 Development	
4.3 Production	
4.4 Administration	71
Total	294

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	16	222
5.2 Deposits at call	527	51
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	542	273

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				

Appendix 5B
Mining exploration entity quarterly report

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 <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	32,875,000	32,875,000		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
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>	2,000,000 335,000 13,169,372 3,000,000		<i>Exercise price</i> 25 cents 28 cents 25 cents 25 cents	<i>Expiry date</i> 25 August 2014 30 June 2014 17 December 2013 17 December 2013
7.8 Issued during quarter				

7.9	Exercised during quarter				
7.10	Expired during quarter	-		-	-
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.
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 October 2013
(Company secretary)

Print name: Jay Stephenson