

Quarterly Activities Report

For the period ending 31 December 2013



ASX: QRL

31 January 2014

ASX Code: QRL

Registered Office

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Capital Structure

125.6M Ordinary Shares
15.8M Unlisted Options

Board of Directors

Mr. Jay Stephenson MBA, FCPA, CMA, FCIS, MAICD
Non-Executive Chairman

Ms Paige McNeil GDipEd, AGIA, GAICD
*Managing Director &
Company Secretary*

Ms Julia Beckett
Director

About Quintessential

Quintessential is a dynamic junior mineral explorer focused on locating, and drilling its highly prospective tenement portfolio in mineral rich Papua New Guinea, for World Class Porphyry Copper and Gold deposits

Quintessential's growth strategy is to use its substantial exploration and operational expertise to maximise the full potential of its strategic and extensive exploration portfolio in PNG.



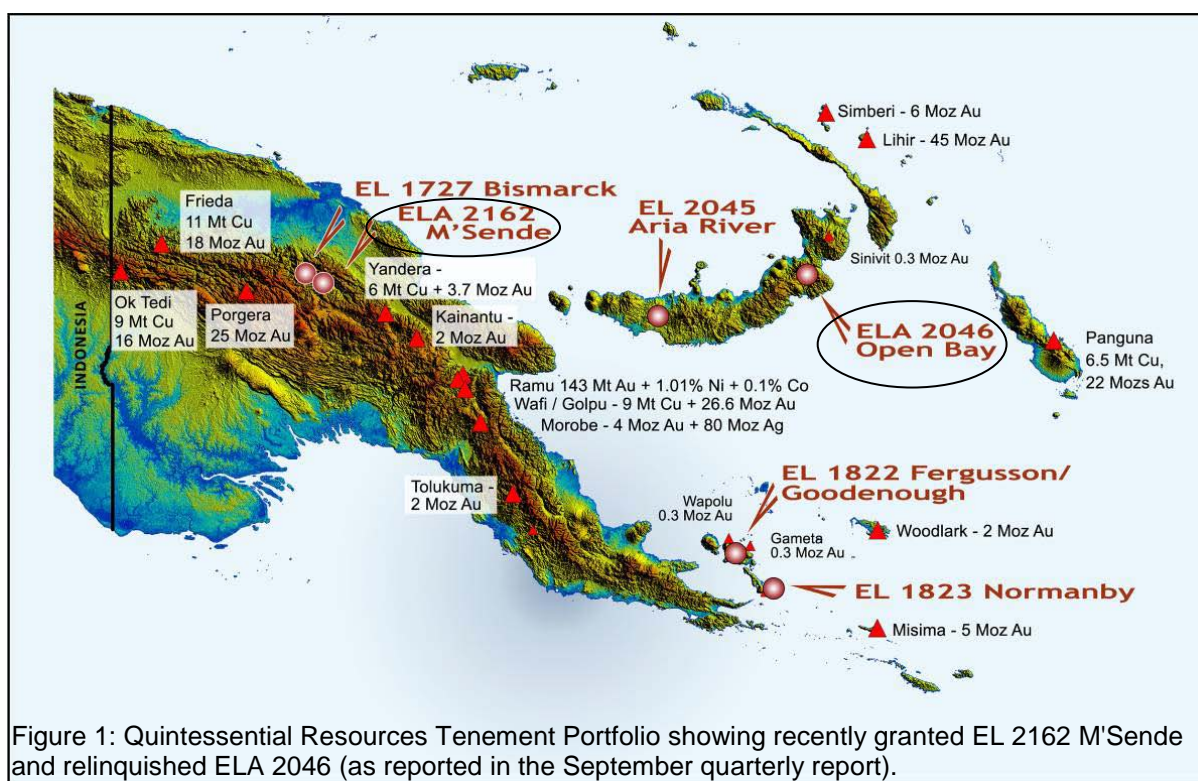
- ➔ A non-underwritten placement of 16,384,311 new Quintessential shares within the Company's existing 15% capacity pursuant to Listing Rule 7.1 to clients of Taylor Collison Limited (Taylor Collison) was announced. The shares were priced at \$0.007 to raise \$114,690. The shares were issued on 16th December 2013 and Taylor Collison was the Lead Manager of the Placement.
- ➔ The Entitlements Issue of one (1) fully paid New Share in the Company for every two (2) Shares held by existing shareholders at an issue price of \$0.007 to raise \$255,000 was completed. Clients of Taylor Collison subscribed for 74% of the shortfall with priority being given to an additional two shareholders who also applied. Resolution 5 of the Company's Annual General Meeting (29.11.13) was passed subscribing 4,000,000 shares (from the shortfall) at \$0.007 to Ms Paige McNeil. A Substantial Shareholder notice was released.
- ➔ Resolution 3 to re-elect Director Salam Malagun was not passed at the Annual General Meeting. The Company thanked Dr Malagun for his contributions and welcomed Ms Julia Beckett to the Board.
- ➔ EL 2162 M'Sende was granted during the quarter. M'Sende was originally part of EL1727 Bismarck in the first term. As required by the PNG Mining Act, the tenement was reduced by 50% and the M'Sende section was relinquished and then reapplied for as a separate tenement. QRL has not conducted any exploration on M'Sende to date.
- ➔ M'Sende is located 5km west of the Ruti Airstrip and can be accessed by vehicle at its eastern end. It covers 4km² of highly cohesive gold anomalous streams in historic samples. There is a strong coincident potassium anomaly in the radiometrics, probably indicative of an intrusive. There is also a very strong aeromagnetic Analytical Signal anomaly located immediately to the west of the strongly gold anomalous creeks.
- ➔ QRL did not conduct any mineral exploration during the quarter.
- ➔ Applications to reduce tenement holdings have been submitted to the Mineral Resources Authority.
- ➔ The Board are currently working on a strategy forward and will announce details as they become material.

Exploration Licences Held During the Quarter as of 31st December 2013

Exploration Licence	Name	Location	Beneficial Percentage Interest held in Farm In/Out Agreement
EL 1727	Bismarck	Enga Province, Papua New Guinea	90%
EL 1822	Goodenough/Fergusson	Milne Bay Province, Papua New Guinea	90%
EL 1823	East Normanby	Milne Bay Province, Papua New Guinea	90%
EL 2045	Aria River	West New Britain Province, Papua New Guinea	50%

Exploration Licences Acquired During the Quarter as of 31st December 2013

Exploration Licence	Name	Location	Beneficial Percentage Interest held in Farm In/Out Agreement
EL 2162	M'Sende	Enga Province, Papua New Guinea	90%



For more information and to register to receive ASX announcements via email please visit:
www.quintessentialresources.com.au

Paige McNeil GDipEd, AGIA, GAICD
 Managing Director
info@quintessentialresources.com.au

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by, or compiled under the supervision of Mr. P.A.McNeil - Member of the Australian Inst. of Geoscientists. Mr. P.A.McNeil is Consultant Geologist to Quintessential Resources Ltd. Mr. P.A.McNeil has sufficient experience which is relevant to the type of mineralisation and type of deposit under consideration to qualify as Competent Person as defined in the 2012 Edition of the Australasian Code of Reporting Exploration Results, Mineral Resources and Ore Resources. Mr. P.A.McNeil consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

Quintessential Resources Limited

ABN

76 149 278 759

Quarter ended ("current quarter")

December 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date 6 Months \$A'000
1.1 Receipts from product sales and related debtors	-	36
1.2 Payments for		
(a) exploration and evaluation	(57)	(103)
(b) development		
(c) production		
(d) administration	(61)	(168)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	-	1
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Cash advance	(3)	(3)
	(121)	(237)
Net Operating Cash Flows		
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	-	(6)
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
	(121)	(243)
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(121)	(243)

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(121)	(243)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc. net of costs	350	347
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 (provide details if material)		
	Net financing cash flows	350	347
	Net increase (decrease) in cash held	229	104
1.20	Cash at beginning of quarter/year to date	46	170
1.21	Exchange rate adjustments to item 1.20	(1)	0
1.22	Cash at end of quarter	274	274

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	49
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payment of office rental, geological consulting fees, accounting fees, wages recharges & expense reimbursements

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	49
4.2 Development	-
4.3 Production	-
4.4 Administration	55
Total	104

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	17	15
5.2 Deposits at call	257	31
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	274	46

Interests in Mining Tenements

Disclosure in accordance with ASX Listing Rule 5.3.3

6.1	Project/ Tenements	Location	Held at end of quarter	Acquired during the quarter	Disposed during the quarter

6.2	Farm-in Agreements / Tenements	Location	Held at end of quarter	Acquired during the quarter	Disposed during the quarter
	E 1727 – Bismark	Papua New Guinea	90%		

Appendix 5B
Mining exploration entity quarterly report

EL 1822 – Goodenough /Fergusson	Papua New Guinea	90%		
EL 1823 – East Normanby	Papua New Guinea	90%		
ELA 2045 – Aria River	Papua New Guinea	50%		
EL 2162 – M'Sende	Papua New Guinea	90%	90%	

6.3	Farm-out Agreements / Tenements	Location	Held at end of quarter	Acquired during the quarter	Disposed during the quarter

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	72,800,166	62,800,066		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs	52,812,882	52,812,882	\$0.007	
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>	10,000,000 2,000,000 600,000 3,250,000		<i>Exercise price</i> 20 cents 37 cents 36 cents 14 cents	<i>Expiry date</i> 31 December 2014 30 July 2015 4 April 2015 31 October 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				

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 January 2014
Company Secretary

Print name: Paige McNeil